1938 [illegible] File No. 3056/36

A CLASS PUBLIC WORKS DEPARTMENT

M. BRANCH

Subject:— Electric License

Belgaum

Report of the Electricity Advisory Committee on the levy of Charges by the Amalgamated Electricity Co. (Belgaum) Ltd. Belgaum Branch

P-186 (E-H)

A B [illegible]

M

File No. 3056/36

[illegible]

[G. G. D., No. 2408, dated 22-6-22.]

Std. Sectt. 78 e.

DOCKET SHEET

Subject:—

File No. 3056/26

P. W. DEPT

M. BRANCH

References:—

Date.	To whom sent.	Notes and instructions.
22/11/38	Secy	
28/7/39	Asstt	
29/9/39	O.M.B.	
	File Br	File (A) with the above below

Exempt
12/3/40 Sd

Office of
The Electrical Engineer to Govt.,
P.W.D.Offices, Church Gate Street:
Bombay, 31st November 1933.

In reply please quote without fail No.L.31/2833 of 1933.

From

The Electrical Engineer to Government,
Public Works Department, Bombay.

To

The Secretary to Government,
Public Works Department, Bombay.

Subject: Reports of the Electricity
Advisory Committee.

....

Sir,

With further reference to this office letter No.L.31/2787 dated the 18th instant, I have the honour to send with this letter the Committee's reports on

1. The Godhra Electricity Co.,Ltd.
2. The Sholapur Spinning & Weaving Co.,Ltd.
3. The Surat Electricity Co.,Ltd.
4. The Ahmedabad Electricity Co.,Ltd.
5. The Nasik-Deolali Electric Supply Co.,Ltd.
6. The Poona Electric Supply Co.,Ltd.
7. The Amalgamated Electricity Co. (Belgaum), Ltd., Belgaum Branch.

I have the honour to be,
Sir,
Your most obedient servant,

Sd/- R. G. Higham,

Electrical Engineer to Govt.

PUBLIC WORKS DEPARTMENT
File No. 30536
21 NOV 1938
Serial No. 2667

3056/36/26670

M.B.

Submitted.

2. These papers deal with the detailed report of the Electricity Advisory Committee on the Amalgamated Electricity Coy. (Belgaum) Ltd., Belgaum Branch. In para.21 of the Report the Committee has made certain recommendations re: reductio of rates. The rates sanctioned in the license, the rates in force as on the 1-4 1938 and the Committee's suggested maxima rates are tabulated on p.43 of the report. If the recommendations made by the Committee are accepted, the Coy. may be addressed, as per draft put up. A copy of the Committee's report may also be forwarded to the Coy. as has been decided in other cases.

3. It may be pointed out in this connection that the Belgaum El. License was granted in May 1932. It is therefore of less than seven years' standing. In view, however, of the importance of the place and the fact that the period of seven years will be completed in May next, there is perhaps no objection to the action being taken as proposed.

3-12-38

3056/36/26670

No.3056/36.M. Jan. 1939
P.W.D.,B.C., ~~Dec.1938.~~
26

To

The Amalgamated Electy.Coy.(Belgaum)Ltd.,
(Belgaum Branch),
17-B,Elphinstone Circle,
Fort, Bombay.

Subject:-Belgaum El.License,1932:
Charges for the supply of electrical energy.

Dear Sirs,

I am directed to state that the Committee appointed by Govt.to investigate into the question of the rates etc. of the electric supply Coys. has recommended that the following maxima charges should be allowed for the supply of electrical energy by your Coy:—

(1) For lighting and fans - Annas five per unit. No minimum charge.

(2) For Power - A standing charge of Rs 1-8-0 per B.H.P.per month, plus a unit charge of 0.75 anna per unit for all units consumed during the month.

(3) Meter rent - Annas 4 per month for a Single phase meter and annas 8 per month for a polyphase meter.

Govt. accept the recommendations made by the Committee and I am directed to request you to arrange to reduce the rates of supply accordingly and inform Govt.of your having done so as soon as possible. A copy of the Committee's report is enclosed herewith for information.

8 pml 4.

D.A.-Copy of Committee&s report.

2 — Vwn PS

Yours faithfully,

Copy forwarded,with compliments,to -

the Commr,,S.D.
the Collr.of Belgaum
the El.Engr.to Govt.,
for information.

B.K.R.
2-12-38.

Recd. at 6-5 P.M. 382
FINANCE DEPARTMENT
File No.
- 6. DEC. 1938
Serial No.
Secy

3-12-38.

Submitted
H.M.P.W.D.
H.M.F.D. (Through Secy FD)

3056/3

H-Should be moved 20/1/85

3056/36

(M.B.) Resubmitted.

2. As verbally directed by the Secy. the draft G.L. on p. 4 may now issue with the following addition:-

"2. I am to add that the Hon.Mr.M.Y. Nurie, Minister for Public Works, desires to see the representatives of your Coy. in this connection on Monday the 30th Jany.1939 at 5 P.M. in his office at the Civil Sectt.,Bombay. I am to request you to arrange accordingly."

26-1-39.

26/1

26/1

V urgent
... me 8, Tw at p 48
write addn D para 2
at P 51
-1-1

2-1-1

Submitted
Secy.

No.3056/36-M.
Public Works Department,
Bombay Castle, 26th January 1939.

From

R.H. Hammett, Esquire, M.Inst.C.E., I.S.E.,
Deputy Secretary to the Government of Bombay,
Public Works Department.

To

The Amalgamated Electricity Company (Belgaum) Limited,
(Belgaum Branch), 17-B, Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum Electric License, 1932:-
Charges for the supply of electrical energy.

.....

Dear Sirs,

I am directed to state that the Committee appointed by Government to investigate into the question of the rates etc of the electric supply companies has recommended that the following maxima charges should be allowed for the supply of electrical energy by your Company:-

(1) For lighting and fans - Annas five per unit. No minimum charge.

(2) For Power - A standing charge of Rs.1-8-0 per B.H. per month, plus a unit charge of 0.75 anna per unit all units consumed during the month.

(3) Meter rent - Annas 4 per month for a single phase meter and annas 8 per month for a polyphase meter.

Government accept the recommendations made by the Committee and I am directed to request you to arrange to reduce the rates of supply accordingly and inform Government of your having done so as soon as possible. A copy of the Committee's report is enclosed herewith for information.

2. I am to add that the Honourable Mr. M.Y. Nurie, Minister for public works, desires to see the representatives of your Company in this connection on Monday the 30th Ja

1939 at 5 P.M. in his office at the Civil Secretariat, Bombay.

I am to request you to arrange accordingly.

Yours faithfully,

o/c

Deputy Secretary to the Government
of Bombay, Public Works Department.

D.A.- Copy of Committee's report.

Copy forwarded, with compliments, to -

the Commissioner, Southern Division,
the Collector of Belgaum,
the Electrical Engineer to Government,

for information.

ISSUED
27 JAN 1939

Typed by A.L.L.
26-1-39.
Compared by

THE AMALGAMATED ELECTRICITY CO., (BELGAUM) LTD.
(BELGAUM BRANCH).

TEL. ADD. "CONELECTRO"
TELEPHONE NO. 20704.

P. O. BOX No. 879.
178, ELPHINSTONE CIRCLE, FORT,

Ref No. AMAL/BEL/-

BOMBAY, 6th February, 1939.

The Deputy Secretary to Government,
Public Works Department,
B O M B A Y.

Dear Sir,

RE: BELGAUM ELECTRIC LICENSE 1932
CHARGES FOR THE SUPPLY OF ---
ELECTRICAL ENERGY.

With reference to yourletter No. 3056/36-M dated 26th January 1939, we beg to state as follows:-

1. Borrowed Capital : Ref. Para 2 :- The original Licensees Messrs. Ankle Bros., who could not raise capital for the working of the License sought to assign the License to the Company, which had to borrow finance for working the License. Public capital - was then impossible as nothing tangible could be put before the public to attract their money.

Rate of interest :- The then prevailing rate was between 7 to 9 per cent as the Bank rates then rose to 8 per cent and --- hence money was not naturally available at a lower rate.

2. Cost per K. W. Installed :- Ref. Para 5 :- The Committee have remarked that the cost of Rs.2,068/- per K.W. of plant installed is, in their opinion, double the usual cost per K.W. In this connection we give hereunder a statement showing the cost per K.W. of plant installed in respect of various concerns in the different Provinces of India:-

Table A:-	Cost per K.W. installed.
Baluchistan	
Quetta Electric Supply Corp. Ltd.	2017
Fort Sandeman Electric Installation	3025
Bombay Presidency	
Surat Electricity Co. Ltd.	2146
Karachi Electric Supply Co.Ltd.	1886
Central Province	
Amraoti Electric Supply Co.Ltd.	2018
United Provinces	
Gorakhpur Electric Supply Co.Ltd.	2257
Table B :-	
Assam	
Gauhati Electric Supply Corp. Ltd.	1518
Baluchistan	
Quetta Electric Supply Corp. Ltd.	2017
Fort Sandeman Electric Installation	3025
Bengal	
Dacca Electric Supply Co. Ltd.	1460
Bihar & Orrissa	
Cuttack Ele. Supply Co.Ltd.	1456
Kanke Govt. Power House	1660
Bombay Presidency	
Ahmedabad Electricity Co.Ltd.	1665
Surat Electricity Co.Ltd.	2146
Hubli Electricity Co.Ltd.	1515
Hyderabad Sind Ele. Supply Co.Ltd.	1432
Karachi Electric Supply Co. Ltd.	1886

	Cost per K.W. installed.
Central Province	
Amraoti Electric Supply Co.Ltd.	2018
Khandwa Electric Licnese	1353
Madras.	
Kanadukathan Ele. Supply Corp. Ltd.	1670
Rajahmendra Ele. Supply Corp. Ltd.,	1626
Cocanada Municipal Ele. Supply.	1683
M. E. Services	
Kohat	1616
Sialkot	1666
United Provinces	
Agra Electric Supply Co.Ltd.	1576
Muthra Electric Supply Co. Ltd.	1529
Gorakhpur Electric Supply Co. Ltd.	2257

The Table "B" illustrates that cost per K.W. of plant --- installed could not be an average of Rs.1,000/- as assumed by the Committee. Table "A" further illustrates that even the cost of Rs.2,000/- per K.W. of plant installed is not unusual.

From the above it can be observed that there could be no -- fixed basis on which the cost of installation per K. W. would -- depend. The cost will be governed by the prices ruling at the time of construction, size of the town, length of distribution, quality of materials and quality of work and such other factors.

Capitalization of Wages & Salaries :- With reference to capitalization of wages and salaries to Mains, we have already - stated that a trained permanent staff has been maintained to a --

minimum, from time to time, for different departments and hence the question of maintenance of time sheets does not arise.

A reference has been made to the Auditors' remarks in this connection. We are at a loss to understand how anything in the report is helpful to the conclusion that the wages and salaries have been capitalized to a greater extent than justified after our contention regarding the maintenance of separate permanent staff for different departments has been submitted to the Committee. The only question worth considering, if at all, was the allocation of the Engineer's salary. This particular item has been always approximately allocated to various departments in the proportion of time the Engineer devoted to each of them. The Engineer in - charge generally looks to the expansion of the lines and services etc. and the other minor work is generally being attended to by his assistants and hence in this case also the allocation to capital expenditure has been quite proper. If independent separate staff of Engineers was kept only for extensions, it would cost more than double the present cost. For this purpose certificate of the -- Engineer and Managing Agents must be considered enough as they are the only competent persons to do as they are in the know of the -- things.

3. <u>Agents Commission : Ref. Para 3 & Para 10 :</u> It seems --- there is some misunderstanding with reference to the amount of remuneration paid to the Agents. The personal allowance of ---- Rs.1,500/- per month is allowed to the Agents for managing not only the Belgaum Electric License but also for managing the Bulsar ---- Electric License and Bhiwandi Electric License. It seems there

is further misunderstanding in this connection. The Managing --- Agents are discharging the duties of Office Superintendent,Secretary & Manager at Bombay Office, managing the Bombay Office with the help of clerical staff only and making all purchases, supervising and guiding the Station in all matters. So the personal allowance is by way of a salary. The Board of Directors cannot directly discharge any duties with reference to the administration and supervision at Bombay Office or Station. There is neither a Secretary nor a Manager entertained in Bombay Office so that the Managing Agents should be required to do only the work of guiding the administration, a controlling body between the Directors and the administration. The Committee have suggested ~~xx~~ a payment - of minimum remuneration including personal allowance and commission, of Rs.300/- per month. The Engineers who work under the Agents have to be paid a handsome salary. Government are very well aware what they pay to their technical employees in Electrical Department. Company cannot appoint Engineers of a low ability and the suggestion of the Committee about the remuneration to --- Agents at a lower rate than allowed to the Engineers under them is in our opinion, not consistent. The Agents have got to do a tremendous spade work, work of management and the building of the --- business. They have to give a good deal of their time and benefit of their status to the conduct of the business of the Company. The principle of Government in paying high salaries to their --- officers is that the higher ~~xx~~ officers must be paid very adequately that they must be able and efficient and to keep them above suspicion. The same principle applies, rather with more force, to private enterprise. In business and ~~xxxxx~~ trade if close --

attention is not paid to the management of the concern, the con--- cern very rarely thrives. The remuneration has to be proportionat to the labour, responsibility, care and such other factors ----- brought to bear by the Agents on the conduct of the concern.

Government could have asked at the time of giving consent to the assignment of the License and transfer of the undertaking to this Company for terms of the Agency agreement as well as the terms of sale. The Company cannot now repudiate the terms of the agreement nor it is fair in equity, law and justice to do so. The facts have to be faced and the terms of the agreement have to be in fairness and justice considered in calculating the expenditure for the year.

The Company has to manage its affairs through Managing --- Agents or Manager. We have already written above that there is no Manager or Secretary appointed. If in the present case, a -- Manager or a Secretary was employed at a high salary, the Committee could have found no grounds to remark against his remuneration. It seems, therefore, that only a designation has led the Committee to attack remuneration payable to the Agents and recommend a sum which is much below a -- salary paid to an efficient Manager.

Further we may mention that a paid Manager would not have been in a position to discharge duties and responsibilities of the Managing Agents, in the manner written above.

4. Depreciation : Ref. Para 12 :- Provision of depreciation of assets has to be made for the following reasons:-

(i) To realise retirement cost at the end of useful life of the assets in ordinary course.

(ii) To guard against accidents in the working of the machinery.

(iii) To secure from lightning, earthquakes, acts of God or King's enemy.

(iv) To replace the assets if rendered obsolete before expiry of their useful life by new inventions in the field of machineries and other assets.

(v) To realise retirement cost if cheap Hydro-electric supply is made available.

To meet the above eventualities, it is necessary for the Company to make full provision for the retirement cost as rapidly as possible. The statutory rates are only for the purpose of ascertaining the taxable income and are the minimum in the light of the above eventualities.

The undertaking has the nature of a trading concern. Even the Income-tax authorities allow the arrears of depreciation and losses to be carried forward.

The Committee have made a reference to the remarks of the Company's Auditors on the inadequacy of depreciation. But the Company's auditors have definitely expressed that no provision for depreciation less than at statutory rates in Indian Income-tax would, in their opinion, be considered as adequate.

We do not follow why the Committee should have considered a certain percentage of gross revenue as sufficient depreciation as in our opinion, the depreciation of assets does not directly vary with the revenue of the concern. This is a departure from the existing system in India as far as we are aware. We hope, the Government will agree with us that depreciation at least at statutory rates should be allowed in computing the expenditure for the year as even the Income-tax authorities allow that in computing the assessable income for the purpose of taxing it which tax is a source

of income to Government.

5. Intangible Assets : Ref. Para 9 :- The Committee have come to the conclusion that the intangible assets are to the -- extent of Rs.3,00,304/-. The Committee further propose that this should be written off over 50 years which, in their opinion, is a usual term after which the first option to take over the concern accrued to Government or Municipality. The period of this License is 40 years commencing from 10th May 1932 and the intangible assets have been created only in 1936. The intangible -- assets, therefore, will have to be written off over about 33 years yet to run and Rs.9,100/- instead of Rs.6,000/- (as arrived at by the Committee) should be allowed as expenditure to write off the intangible assets.

6. Value of Assets for fair return : Ref. Para 18 :- We are not in a position to agree to the views expressed by the Committee. All the facts have been before the Government from time to time. Fair return should, therefore, be calculated on the share capital of this undertaking.

7. Estimated Surplus : Ref. Para 19 :- Assuming only for the purpose of argument and calculations, the Committee's figures of net assets of the Company, the paltry remuneration of Rs.300/- per month to the Agents unfortunately equitable and proper in the opinion of the Committee, and without admitting or discussing the adequacy of the rate of return on capital etc., we give hereunder the true financial position of the Company worked out after the - Committee's table in that behalf :

Gross Revenue		Rs. 1.20,511
Less Working Expenses (excluding depreciation, interest & Agents' remuneration)	Rs. 51,165	
Depreciation (Minimum requisite at statutory rates	27,620	
Agents' remuneration (at the rate supplied by the Committee)	4,116	
Contingency reserve at 1/4% of net block	1,114	
Write off of intangible assets (3,00,341 x 33 years)	9,100	
2% on depreciation reserve	280	
6% return on net block	26,744	
	1,20,139	
Income-tax	4,316	Rs. 1,24,455
	Deficit-----	Rs. 3,944

In the opinion of the Committee, incometax should not be allowed as an expense. In this connection we have to state 5½% free of tax preference shares have been issued by the Company. - The capital of the Company consists, in equal proportion, of 5½% free of incometax Preference shares and Ordinary shares. Levy of incometax is nearly 18% of the income. Government was in the know of this class of share capital when consent for transfer of the -- License was given. 6 per cent return does not allow a tax free -- free dividend of 5½% per annum. Hence it is proper that income-tax should be allowed as an expense.

We have to point out here that the above gross revenue is likely to be reduced by about Rs.11,000/- as we are to lose Municipal street lighting contract after a few months as mentioned in

para 8 of this letter.

Expected increase in profits: So far as this license is concerned there is no scope for further expansion and development which will be remunerative. If at all, Motive power load will be added, which does not give practically any return on the assets of the Company.

Economy in Expenditure :- Staff maintained at present is the minimum unless a day of 12 hours work for servants is brought into force. The Company would have really felt obliged to the -- Committee if specific xy suggestions were made by the Committee -- after scrutinizing the strength of the staff at Station and the expense at Bombay. A vague remark does not help beyond creating an unnecessary suspicion.

If the contention of over capitalization of salaries and -- wages were correct, the result would be an increase and not reduction in revenue expenditure.

8. Present Income : The present income consists of revenue yielded by some contracts, big and small, such as Municipal street lights, M.S.M. Rly., Military Engineering Service and individual consumers.

The contracts are for a certain fixed period and at special reduced rates. They may or may not be renewed after the expiry of the period of the existing contracts. If they are at all -- renewed, a still lower rate has generally to be offered.

The municipal street lighting contract expires in October 1939. The Municipality have asked for a very ridiculous rate of 1½ anna per unit, including maintenance etc. instead of the presen

rate of As.4/- per unit. As it is impossible for us to accept ~~x~~ such a rate we shall be loosing about Rs.11,000/- per year.

9. Prices of Materials : The Committee have not given any --- consideration to the possibility of rise of the prices of materials required for the undertaking. We cite an instance in point viz. fuel oil, a requirement, principal and large. The quantity required in a year is about 300 tons (which may rise in future) and the rate for this commodity has risen from Rs.43/- to Rs.53/- per ton. It may be observed that this rise of Rs.10/- per ton would cause an increase of Rs. 3,000/-in the working expenses.

In case of out-break of war, the prices of materials generally rise by leaps and bounds. Other trading concerns can raise their ~~prices~~ rates to meet the increase in expenses, sudden and steep or gradual, but an undertaking of our type cannot raise their rates beyond the --- maxima fixed.

There are rare chances of materials going down as they have, in our opinion, reached rockbottom prices.

Fluctuations in prices of materials and in revenue returns do not seriously affect a concern whose surplus is large, but --- affects very adversely a concern which has no surplus at all or a poor surplus.

10. We have already shown in para 7 that there is no surplus at all but there is deficit. Against "deficit" the Committee have made certain recommendations involving a loss of revenue to the -- extent of about Rs.14,000/-.

However in spite of the facts viz:-

(1) There is deficit

(2) Rise in expenditure by reason of crude oil rate having -- risen now by Rs.10/- per ton which may rise still further in the event of out break of war or such unforseen circumstances;

(3) Threatened loss of Municipal contract involving a loss of revenue to the extent of Rs.11,000/- per year;

(4) Reduced revenue of M.E.S. other contracts and due to the reduction of rates and uncertainty of their renewal for a fixed period any further;

in order to follow up the spirit, policy and desire of the present Government, and to convenience the consumers, even before we had any idea of the examination of the Company's rates by a Committee and even before the passage of the statutory period of seven years of the License after which the rates could be revised, the Company reduced its rates as follows:-

(A) (1) Within 5 years of the commencement of supply the Company has voluntarily done the following:-

	License Rate	From April 1938
For energy for Lights & Fans	As.6/- per unit	As.5½ per unit.
-do- -do- for religious - institutions etc.	As.5/- per unit	As.4¾ per unit above 12 units just to co-operate with Government in their taxation proposals.

(2) The Company has abolished minimum charges giving benefit specially to common class of consumers.

(3) 50% of the meter rent has been offered as rebate.

(B)	May 1932 supply commenced in April 1933	May 1936
Energy for Motive Power purposes:-		
(1) Upto and ~~ex~~ including 3 K.W.	As. 3/- per unit	Standing charge of Rs.3/- per month - per K.W.installed plus As.2/- per unit.

(2) Over 3 K.W. & Upwards.	Standing charge of Rs.4/- per month per K.W.installed plus 1½ annas per unit.	Standing charge of Rs.3/- per month per K.W. installed plus 1½ annas per unit.

It can be noticed from the above that the standing charge was reduced by one rupee per K.W.

Following the above reduction the Company has made further reduction in that the standing charge of Rs.2/- per B.H.P. is being made with the unit charge reduced to ranging from 2 annas to .75 annas per unit.

The abolition of minimum charges leads to a loss of Rs.1,600 and not Rs.500/- as mentioned in the Committee's report.

The above concessions causes a short-fall in revenue of --- Rs.9,500/-.

11. Enquiry : Ref. Para 2 :- We would state that only certain data were called from us and at the interview questions of a general nature were asked. Number of points were, therefore, not at all discussed nor were touched. No copy of the special auditor's report has been supplied to us to enable us to know and clarify the points raised by him so that we could have put up our proper case in that behalf.

12. We hope that Government will be convinced from the foregoing that the Company have already reduced their rates to the best of its ability to benefit the consumers and to meet the policy and -- desire of the Government.

Yours faithfully,
For The Amalgamated Electricity Co. (Belgaum) Ltd.
The Consolidated Electric Agencies Ltd. Managing Agents.

Managing Director.

VR.

22/11/38

PUBLIC WORKS DEPARTMENT
File No. 3056/36
8- FEB 1939
Serial No. 3782

8-2-39

(1) Amalgamated Electricity Co Ltd (Belgaum Branch)

(2) — do - (Bhiwandi Branch)

(3) Jalgaon Electric Supply Co Ltd

I had discussions with the representatives of the 3 Companies. Mr.N.C.Javeri who saw me as representative told that in all the cases 7 years have not yet been finished and at Jalgaon the M.Committee has already stopped taking power with the result that we are working at a loss. At Belgaum the M.Committee has served a notice for reduction of the charges to 1½ anna per unit. And the Company can not afford to agree to it. Here also as it appears the M.Committee will stop taking the power at the end of their agreement, It is therefore not possible for him to agree to the Govt.proposals.

The El.Engr.to the Govt.may kindly report on the points raised by Mr.Javeri by Monday the 13th Feb.

Id.M.Y.N.
10-2-39.

Submitted.

The dates of commencement of the following licenses are given against each:-

Name of License.	Date of commencement of the License
(1) The Jalgaon El. License. ...	8-11-1928.
(2) The Belgaum -do-	10- 5-1932.
(3) The Bhiwandi -do-	30-10-1936.

Re: (1). The license is now of more than seven years' standing.

Re: (2). The period of seven years from the commencement of the license will expire within about three months, i.e.on 10-5-1939. The Electy. Advisory Committee investigated into the rates, as Belgaum is a fairly large city and the

perio

period of seven years will be completed shortly.

Re: (3). Originally, a sanction for supply to Bhiwandi was granted in 1925. The sanction was assigned to the Bhiwandi Electric Supply Coy.,Ltd.,on 26-11-1931. The rates operating in Bhiwandi were investigated, as the Press Note appointin, the Committee required it to so do in respect of all Electric Supply Companies which are of more than seven years' standing.

2. The reason put forward by Mr.Javeri for not reducing the rates in accordance with the recommendations of the Electy. Advisory Committee is not satisfactory, in view of the fact that the Municipalities concerned would not have refused their loads, if the Companies had come to a reasonable settlement with them.

3. The recommendations of the Committee cannot be brought into effect, unless the Companies are agreeable. I suggest the apptt. of an Advisory Board under section 35 of the Indian Electy. Act, 1910, so that all cases in whichthe supply Coys. refuse to comply with the recommendations of the Advisory Committee ma be refd. to the Board. Pending replies from the other Supply Coys. are received and the Advisory Board is constituted, the cases of Jalgaon and Belgaum may be held over. As regards Bhiwandi, Govt. cannot enforce any alterations in the maxima rates until 30-10-1943, as the sanction was only converted into a license on 30-10-1936.

A

4. As an alternative, should the Municipalities at Jalgaon, Belgaum or any other towns request Govt. to grant a second license owing to the present licensees refusing to reduce their rates, Govt. may favourably consider a second license as a special case.

Sd. R.G.Higham,
Electrical Engr. to Govt.

Encls:- Files Nos.3021/36, 3056/36 and 2576/36. Reports on Belgaum and Bhiwandi Loose Papers.

No.L.31/3692, dated 13th Feb.1939.

To

The Secy. to Govt., P.W.D., Bombay.

P.W.Deptt.

(M.B.) Submitted.

2. The report of the El.Engr. to Govt. may be submitted to H.M. with ref. to his note dated the 10-2-39.

3. The Belgaum and Bhiwandi Electric Supply Coys. have sent their replies with ref. to Govt. letters asking them to reduce the rates of supply in accordance with the Committee's recommendations. The Jalgaon El.Supply Co.Ltd. has also sent some further communication in this connection. These letters have been placed in the files concerned and will be dealt with on return of the papers from H.M.

Id.P.D.D.
13-2-39.

At once.
Id.R.H.H.
13-2-39.

Submitted.

H.M., P.W.D.- I agree with 'A' at p.4 /.

Id.M.Y.N.
13-2-39.

3056/36
3782

(M.B) Submitted

p4

2 In view of the fact that no reply has been received from the Electrical Engineer to the Government of India, Railway Department, New Delhi, dated the 13-2-1939, further action on this case may be held over pending receipt of replies from the other Subsidiary Companies and the constitution of an Advisory Board. The Electrical Engineer to the Government may see n.o., particularly with reference to the Engineer's letter dated the 6-2-1939.

p13

20-2-39.

23 FEB 1939

n.o. to Elec. Engr. to Govt. dated 21/2/39

21/2

Below U.O.R.No.3056/36/3782 dated the 22nd February 1939, from Government in the Public Works Department.

No. 431/ 3853 of 1939.

Bombay, 24th February 1939.

Returned, with compliments.

2. The remarks (19) of the Managing Agents with regard to the Agents' Commission of Rs.1500/- per month are correct, in that the amount in question applies not only to Belgaum, but also to the Bhiwandi and Bulsar Electric Licenses.

Electrical Engineer to Govt.

P.

Report

PUBLIC WORKS DEPARTMENT
File No. 3056/36
25 FEB 1939
Serial No. 5327

25-2-39

(M.B.)

Submitted.

2. As proposed in the O.N. p43 dated the 20-2-39, further action on these papers may be held over pending receipt of replies from the other Supply Coys. and the ~~and~~ constitution of ~~the~~ an Advisory Board. The Secy., F.D., may see the papers at this stage.

10-3-39

10/3

11/3

Secy F.D.

13/3

Rec'd. 3.20 P.M.

FINANCE DEPARTMENT
File No.
11 MAR 1939
Secy.
Serial No.

3056/36 48

Await. 47

14-3-39.

18/3/39.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
13 MAR 1939
Serial No.

13-3-39

Conference to be held on
16th Feb at- 3 P.M. to settle
the terms.

31/1

30/1/39

(M.B) Submitted

2 The papers dealing with the Electricity Advisory Committee's reports on the Belgaum & Dharwar Electric Supply Cos. are put up below for the use of H.M. in connection with the conference to be held on the 10-2-1939.

3 File 2576/36 regarding the Committee's report on the Belgaum Electric Supply Co Ltd. with the remarks of the Sl Engr to Govt. on the Co's letter of the 30-1-1939 is also submitted herewith as a linked case.

9-2-39

9/2

✓

Dy Secy
Secy
Put in the

I had discussions with the representatives of the 3 Companies. Mr N. C. Jarvis who saw me to represent his point of view in all the cases I gave have not yet been finished and although the N. Committee has already stopped taking power with the result that we are working at a loss. At Belgaum the N. Committee has issued a notice for reduction of the charges to 11/2 annas per unit. And the Company can not afford to agree to it. Here also as it appears the N. Committee will stop taking the power at the end of this agreement. It is therefore not possible for him to agree to the Govt. proposal.

The Chief Engr & the Govt. may kindly report on the points raised by Mr. Jarvis by Monday the 13th Feb.

10/2/39

Submitted.

The dates of commencement of the follo-ing licenses are given against each:-

Name of License.	Date of commence-ment of the Licen
(1) The Jalgaon Electric License.	18-11-1928.
(2) The Belgaum Electric License.	10- 5-1932.
(3) The Bhiwandi Electric License.	30-10-1936.

Re:(1) - The license is now of more than seven years' standing.

Re:(2) - The period of seven years fro the commencement of the license will expire within about three months, i.e.on 10-5-1939. The Electricity Advisory Committee investigated into the rates, as Belgaum is a fairly large city and the period of seven years will be completed shortly.

Re:(3) - Originally, a sanction for supply to Bhiwandi was granted in 1925. The sanction was assigned to the Bhiwandi Electric Supply Co.,Ltd. on 26-11-1931. The rates operating in Bhiwandi were investigated, as the Press Note appointing the Committee required it to so do in respect of all Electric Supply Companies which are of more than seven years' standing.

2. The reason put forward by Mr. Javeri for not reducing the rates in accordance with the recommendations of the Electricity Advisory Committee is not satisfactory, in view of the fact that the Municipalities concerned would not have refused their loads, if the Companies had come to a reasonable settlement with them.

3 ...

3. The recommendations of the Committee cannot be brought into effect, unless the Companies are agreeable. I suggest the appointment of an Advisory Board under section 35 of the Indian Electricity Act, 1910, so that all cases in which the Supply Companies refuse to comply with the recommendations of the Advisory Committee may be referred to the Board. Pending replies from the other Supply Companies are received and the Advisory Board is constituted, the cases of Jalgaon and Belgaum may be held over. As regards Bhiwandi, Government cannot enforce any alterations in the maxima rates until 30-10-1943, as the sanction was only converted into a license on 30-10-1936.

4. As an alternative, should the Municipalities at Jalgaon, Belgaum or any other towns request Government to grant a second license owing to the present licensees refusing to reduce their rates, Government may favourably consider a second license as a special case.

for Electrical Engineer to Govt.

Encls:
Files Nos.3021/36, 3056/36 & 2576/36.
Reports on Belgaum and Bhiwandi.
Loose papers.

No. 431 / 3612 dated 13th February 1939.

To

The Secretary to Government,
Public Works Department,
Bombay.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
17 FEB 1939
3999

5
3036/36
3999

P. W. D.

(M.B.) Submitted.

2. The report of the El.Engr.to Govt. may be submitted to H.M. with ref. to his note dated the 10-2-39.

3. The Belgaum and Bhiwandi Electric Supply Coys. have sent their replies with ref. to Govt. letters asking them to reduce the rates of supply in accordance with the Committee's recommendations. The Jalgaon El.Supply Co.Ltd. has also sent some further communication in this connection. These letters have been placed in the files concerned and will be dealt with on return of the papers from H.M.

G.J.P.
13-2-39
(107)

13-2-39

Submitted

H. M.: P. W. D.

P. W. D.

(M.B.) Submitted.

2. The copies of the foregoing notes have been placed on the files concerned which are being submitted separately.

3. In view of H.M.'s note dated the 13-2-38, the replies from all the Elec. Supply Coys. with ref. to Govt. letters asking them to reduce the rates in accordance with the Committee's recommendations may be awaited, after which the question of constituting an Advisory Board in the case of the Companies where this course may be deemed necessary may be considered The El.Engr.to Govt. may see u.o.

G.J.P.
20-2-39
(107)

20-2-39

21/2

22 FEB 1939

Below U.O.R.No.3036/36 dated the 22nd February 1939, from Government in the Public Works Department.

No. 431/3845 of 1939.

Bombay, 24th February 1939.

Seen and returned, with compliments. The loose papers have been retained in this office.

Electrical Engineer to Govt.

P.

3056/36
5383

Awaited by

28-2-39.

A L.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
25 FEB 1939
Serial No. 5383

25-2-39

File
2/3/39

27/2

profits by monopolising the supply of an amenity which it is expected to bring within the easy reach of all sections of the public.

In the course of reply to the address - presented to his excellency, The Governor of Bombay - His Excellency Sir Roger Lumley - was pleased to give an assurance that the question of the reduction in the present rates by the above-said Electric - Company, would be seriously considered before the renewal of the present license which expires in May next. It is understood that the present rates are to continue under the license upto only the month of May next.

I, therefore, request you to favourably consider the question of the reduction of the rates of supply before the present license is renewed. I need not repeat here that even the middle class people are finding it hard to submit to the present rates of the Company.

A copy of the resolution p 53 passed by the Municipality in this behalf and a copy of the relevant extract p 55 from the reply of His Excellency are herewith enclosed for information.

I have the honour to be

sir,

Your most obedient servant,

President,

Belgaum Borough Municipality.

Encls:-

2

CSJ.

No 14 of 1939-40
Municipal Office Belgaum.
Dated 5th April 1939.

From,

The President,

Belgaum Borough Municipality.

To,

The Secretary,

to the Government of Bombay,

Public Works Department, Secretariat,

Bombay

Sir,

I have the honour to enclose herewith for your consideration a copy of the resolution No 153 passed by the Belgaum Municipality in its meeting held on the 31st March 1939, with regard to the reduction of the rates of the supply of electric energy by the Amalgamated Electricity Company Ltd.Belgaum, whose rates of supply are due for revision shortly and to further state that this matter deserves urgent and favourable consideration at the hands of Government.

It may not be disputed that the charges at present levied by the above-said Company for supply of electric energy to its consumers are excessive, with the result that the middle and the poor classes of the public cannot avail themselves of this - necessity of modern civic life. The reduction in the present rates, as suggested by this Municipality, is not likely to cause substantial loss to the said - Company. It will be but just that the Company should not be permitted to make undue and excessive profits at the cost of the public.

An electricity supplying concern is undoubtedly a public utility concern and so it is imperative to see that it is not permitted to make abnormal-

Copy of General Committee's resolution

No.330 dated 31-3-1939

---

(330) Mr. Lad, Municipal Councillor's proposals (i) to request Government to revise the present rate of - electric supply and (ii) to appoint a sub-committee to devise ways and means to provide for Municipal Street-lights , in case, no decisive reply is received from the Company.

Proposed by Mr. M.M. Lad and seconded by Mr.A.P. Jadhav (i) That this Municipal Borough deems it - necessary in the interest of the public of Belgaum as well as the Municipal Borough to make an urgent request to the Government of Bombay to kindly revise the present maximum rate of supply of electricity per unit of the Amalgamated Electricity Company (Belgaum) Ltd., and to fix the same to a maximum limit of not more than three annas per unit for the purposes of lighting and to - effect a correspondingly proportionate reduction in the rates of supply for other purposes as the present rate is excessive and being so,has deprived the middle and poor classes of the comforts and convenience of a modern amenity of life. Government be further requested not to renew the license unless this question is - finally disposed of.

(ii) That in view of the dilatory method adopted by the Amalgamated Electricity Company Ltd., in the matter of the disposal of the correspondence started by the Municipality regarding the revision of rates for the Municipal street lighting, the - President in consultation with the Chief Officer, - should proceed to devise ways and means to provide ~~xxxx~~for Municipal street lighting, if no decisive - reply is received from the Company by the middle of April 1939.

Res: Carried Nem-Con.

" True Copy "

B. A. Pawle

Chief Officer,

Belgaum Borough Municipality.

CSJ.

Copy of the relevant portion of the reply
given by His Excellency Sir Roger Lumley
the Governor of Bombay.

" I am very glad to hear that you have persevered with the scheme of the surface drainage and have electrified the whole town. You are very wise to conserve and increase the amenities of the town in such ways. You say that the rate per unit of electricity is too high and I have no doubt that a representation to Government on this point will receive due consideration but I must point out that the license has fixed the rate upto May 1939 and consequently the rate cannot be reduced before that date ".

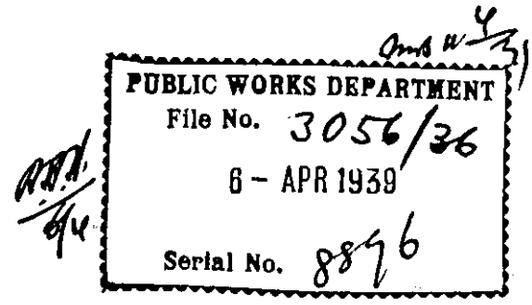
" True Copy "

B. N. Pawle

Chief Officer,
Belgaum Borough Municipality.

CSJ.

MB 14/3



MB
6-4-39

MB 11/4

(M.B.) Submitted.

2. The Supply Coy.at Belgaum is not agreeable to reduce its rates according to the recommendations of the Electricity Advisory Committee. It has accordingly been decided p 47 to hold over the case pending ~~Loonstn.~~ constitution of an Advisory Board. The period of seven years from the ~~Commencement~~ commencement of the licensee will be completed on the 10-5-1939. If approved, the President, Belgaum Muny.may be informed, p 58 as per draft put up. The El. Engr.to Govt.may see u.o. before submission.

20-11-39.

21/4

3056/36

No.3056/36. M.
P.W.D.[illegible].C., 29th April 1939.

To

The President,
Belgaum Borough Muny.,
Belgaum.
(Thro.the Collr.of Belgaum).

Subject:-Belgaum El.License.
Charges for the supply of electrical energy.

Dear Sir,

With ref.to your letter No. 149
14, dated the 5-4-1939, I am directed to inform you that as the Electric Supply Coy.at Belgaum is not agreeable to reduce its rates of supply in accordance with the recommendations of the Electy.Advisory Committee, it is proposed to refer the matter in due course to an Advisory Board under clause XI of the Schedule to the I.E.Act, 1910.

Yours faithfully,

Copy, with a copy of the Muny's letter pp 49-51
refd.to and its accompts.forwarded w.c. pp 53-55

to the Commr.,S.D.
the Collr.of Belgaum and
the El.Engr.to Govt.,

for information.

B.K.R.
20-4-39.
249

20-4-39

22 APR 1939

ISSUED
1 MAY 1939

Below U.O.R.No.3056-36/8896 dated the 22nd April 1939, from Government in the Public Works Department.

LRM.12

No. 232 of 1939.

Bombay, 24th April 1939.

Seen and returned, with compliments. The duplicate copy of the President's letter has been retained in this office for record.

Electrical Engineer to Govt.

P.

(M-B) Submitted

2. The draft G.L. as p 58 ante may now issue.

26-4-39

26/4

H.M. P.W.D

27/4

PUBLIC WORKS DEPARTMENT
File No. 3056/36
24 APR 1939
Serial No. 10049

25/4

29/4

Sec
H.M. P.W.D

24-4-39

29/4 — 1/6/39

25/4

THE CITIZENS OF BELGAUM, ASSEMBLED IN THIS PUBLIC MEETING,

RESOLVE UNANIMOUSLY AS FOLLOWS :-

(A) The meeting is of opinion that the current rates charged by the Amamlgamated Electricity Company to the cosumers of Belgaum are very heavy and really oppressive and that they be reduced to at least three annas per unit so as to enable the middle classes and the poor to avail themselves of the Electric power.

This meeting is further of opinion that the rates charged at present by this company for the energy consumed in the use of electric pumps and industrial concerns be also reduced to a reasonable limit and the standing charge of Rs 2/- per pump per month be wholly abolished and the meter charge of Rs 1/- be reduced to four annas.

(B) This meeting requests the Government to see that the wishes of the public as embodied in the above resolution are duly complied with before the license of the Company is next renewed.

(C) If the rates are not reduced as stated in the above resolution, the public of Belgaum will be compelled to stop using electric energy altogether.

Resolved that the Chairman of this meeting be empowered to send a copy of the resolution to the Secretary, to the Government, P.W.D., and also to the Manager of the Amalgamated Electricity Company, Belgaum.

Copy forwarded with compliments to :-

1. The Secretary to the Government of Bombay, P.W.D., Bombay.
2. The Managing Director, The Amalgamated Electricity Company Ltd., Bombay.

From

D.V.Belvi, B.A.,LL.B., Esq.,

Advocate, B E L G A U M .

To

The Secretary,

To the Government of Bombay,

P.W.D., B O M B A Y .

Sir,

I have the honour to forward herewith a copy of - resolutions passed by the citizens of Belgaum on the 24th of April 1939 protesting against the present exorbitant - rates charged by the Amalgamated Electricity Co, (Belgaum) Ltd., on the electrical energy consumed by the public of this place and requesting the company concerned to comply with their wishes by reducing their rates as per resolutions referred hereto and also requesting the Government to intercede in their behalf.

I have the honour to be
Sir,
Your most obedient servant,

24-4-1939.)
)
BELGAUM.)

D. V. Belvi

President,
The Belgaum Citizens Meeting.

JoB 25/4

PUBLIC WORKS DEPARTMENT
File No. 3056/36
27 APR 1939
Serial No. 10382

11/4

QuB 28/4

THE BELGAUM MERCHANTS ASSOCIATION.

RAVIWARPETH. BELGAUM.

BELGAUM, *Date* 27 th April 39

Ref. O. L. No. A. A. 383/39.

To,

The Secretary to the Govt. of Bombay.
P. W. D. Bombay.

Respected Sirs,

The members of the Belgaum Merchants Association, assembled in the special general meeting held on the 25th inst and resolved unanimously as following.

' The meeting is of the openion that the current -- rates charged by the Amalgamated Electricity Co, to the con- -sumers of Belgaum are very heavy and really oppressive and - that they should be reduced to Annas 3/- per unit and also -- the meter rent of Annas 8/- be reduced to Annas 4/-.

' This meeting requesting the Government Of Bombay to see that the wishes of the members of this Association as enforced in the above resolution are only complied with before the license of the company is next renewed.

If the rates are not reduced as stated in the above resolution, the members of this Association will be compelled to stop using the electricity energy altogether.

Yours Faithfully

V. M. Uffin.
President

FOR THE BELGAUM MERCHANTS' ASSOCIATION

Copy Forwarded to -
The Managing Director of the A. E. Co. Bomba

(N.B) Submitted with S. No. 1038 p64

2 Plans on the O.N & the 20-4-39 p57 & G.L. No. 3056/36.M p58 & the 29-4-1939 address to the President, Belgaum Municipality, Mr. Belvi & the Belgaum Merchants' Association

---

may be informed, as per Design p63 put up

4-5-39

4/5

PS 28/4 & 3v

PUBLIC WORKS DEPARTMENT
File No. 3056/36
28 APR 1939
Serial No. 10477

28/4

MB 29/4

28-4-39

29/4

3056/36/10477

No.3056/36. M.
P.W.D.,B.C., 5th May 1939.

To

(1) D.V.Belvi,Esq.,B.A.,LL.B.,
Advocate,Belgaum.

(2) The President,
Belgaum Merchants' Assocn.,
Raviwar Peth,
Belgaum.

Subject:-Belgaum El.License:
Charges for the supply of electrical energy.

Dear Sir,

With ref.to your letter

(1) dated the 24-4-39 p63
(2) No.A.A.383/39,dated the 27-4-39 p65

I am directed to state that as the Electric Supply Coy.at Belgaum is not agreeable to reduce its rates of supply in accordance with the recommendations of the Electy.Advisory Committee,it is proposed to take action in the matter in due course under Clause XI of the Schedule to the I.E.Act, 1910.

Yours faithfully,

@ p 331 g Memo Book

D.A.-Nil.

B.K.R.
3-5-39.
137

4-5-39

4/5

4/5

4/5/39

E K
5/5

ISSUED
9. MAY 1939

सुरक्षा असोसीएशन बेळगांव - जनरल मीटिंगचे मिनिटे

मंजूरीत ता. २८/१२/३६ रोजी ठरावाची नक्कल.

ठराव

"कंपनीचे विजेचे दर अद्यंत महागाईचे आहेत ते ३ आणे युनिट पर्यंत कमी करण्यात यावेत, तसेच दर पंधरा मागे दर महिन्यात २ रु. मध्ये जो स्टँडिंग चार्ज घेतात तो रद्द करण्यात यावा. आणी प्रपंचाचे इतर औद्योगिक कारखान्यांचा मीटर चार्ज १ रु. आहे तो ४ आणे आकारावा. नागरिकांची इच्छा कंपनी काढून तिचा परवाना पुनः मागू शेवटी पुरी कोर्ती जर्दिक सरकारने काढून घेवावा कंपनीने घर दर कमी केले नाहीत तर सर्व नागरिकांना विजेचा उपयोग करण्याचे बंद करावे लागेल."

वरील प्रमाणे नक्कल मंजूर ता. २८/१२/३६.

Shirkar
SECRETARY.

K.V. Joshi
PRESIDENT.

SHROFF ASSOCIATION
ESTD.
1933
BELGAUM

जा.नं. ७
१.६६

नामदार नूरी साहेब

मी. इक्बाल डी. मंत्री

सरकार मुंबई यांचे सेवेसी

अधिक्षक सराफ असोसिएशन बेळगांव यांजकडून

विनंती

दि अॅमेल्गमेटेड इलेक्ट्रिसिटी कंपनी

(बेळगांव) लिमिटेड या परवाना पुनः चालू करण्या

पूर्वी सराफ असोसिएशनचे पास केलेले ठराव

विचारात होऊन पुढील परवाना चालू करावा अशी

विनंती आहे..

पास झालेले ठरावाची नक्कल सोबत

जोडली आहे.

सेवेसी रुजू होय हे विज्ञापना ता: २५.१.६६

SECRETARY.

PRESIDENT.

Acknowledgment

13-5-39.

for order of 14/5/39

ISSUED
16 MAY 1939

1 copy of Resolution

PUBLIC WORKS DEPARTMENT
File No. ~~69~~ 3056/36
4 MAY 1939
Serial No. 1077

4/5

4/5

Summarised translation of the Reso. passed by the President, Shroff Assocn., Belgaum, on the 28th April 1939.

The rates of electrical energy of the Supply Coy. are very heavy and should be reduced to 3 annas per unit. Similarly, the standing charge of Rs 2 per month per pump should be cancelled and the meter charge of Re.1 per pump and for other industrial purposes should be reduced to annas 4. If the rates as stated above are not reduced the people will be compelled to discontinue the supply of electrical energy.

The President, Shroff Assocn., Belgaum, in his memo.No.7/1861, dated the 29th April 1939, addressed to the Hon. Mr. [redacted] Nurie, H.M. for Public Works, requests that before the license issued to the Amalgamated Electy.Co.(Belgaum) Ltd. is renewed due consideration should be given to the resolutions passed by the Shroff Assocn., Belgaum, copy attached.

B.K.R.
15-5-39.
161

3056/36
10797

(M.A.) Schmitt

2. As directed by A.M., [illegible] summary [illegible] communications [illegible] ff 69-71 is [illegible]. In this connection attention is invited to the office note of 20-4-39 (f 57) and Govt. letters addressed to the President, Belgaum Mncp. & others on ff 58-67. If otherwise the Sheriff Association at Belgaum may be similarly informed, as per draft (f 76) [illegible]

24-5-39

Li/3208
(P.C.)

No. 3058/36 M

P.W.D.

B.C. 21st May 1939

To

The President,

[illegible] Sheriff Association,

Belgaum.

Dear Sir

Charges for electric supply at Belgaum

With reference to your letter No. 7/1861 dated the 29-4-39 addressed to the Hon. Minister for Public Works, I am directed to state that as the Electric Supply Corp. at Belgaum is not agreeable to reduce its rate of supply in accordance with the recommendation of the Electricity Advisory Committee, it is proposed to take action in the matter under clause 6 XI of the Schedule to the I.E. Act, 1910.

Yours faithfully

24-5-39

Hon P.W.D.

7/6

@ p331 of Memo Vol 4

ISSUED

14 JUN 1939

12/6

20/6

Dear Mr Lule,

Mr Poldar M.L.C. Belgaum has requested me to let him know whether the electricity company of Belgaum has agreed to reduce the electricity rates as suggested by Govt.

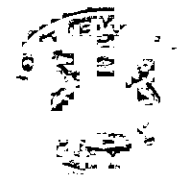
He further means that the company's license should not be revived unless the company agrees to the reduction of the rates.

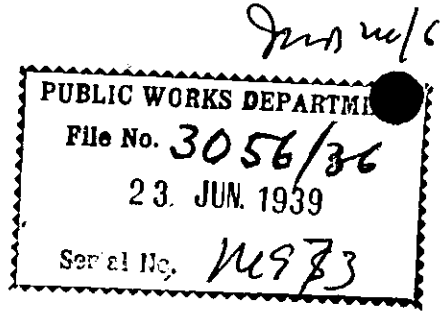
I therefore wish to hear in this connection, the present attitude of the company & Govts action towards the same.

What is his present position re. this Comp?

Yours sincerely
T.R. Nesvi

11/6.




PUBLIC WORKS DEPARTM
File No. 3056/36
23. JUN. 1939
Serial No. 11983

(M.B.) Submitted.

2. The El.Supply Coy. at Belgaum is not agreeable to reduce its rates in accordance with the recommendations of the Electy.Adv: Committee. It has therefore been decided to refer the matter to an Adv: Board under clause XI of the Schedule to the I.E.Act,1910. In this connection, attention is invited to the proceedings on pp.39-41 ante. The constitution of the proposed Board has been approved recently and the persons concerned have been asked to state whether they are willing to serve on the Board. On receipt of their replies, the necy.orders will be issued in the matter.

3. The Belgaum El.License was granted in May 1932. According to the terms of the license, the option of purchase can be exercised ~~after~~ 40 years, i.e. in 1972. There is no question of ~~renewing~~ reviving the license for the present. Since the license is of more than 7 yrs. standing, it is however proposed to refer the question of alteration of maxi rates to an Adv: Board under clause XI of the Schedule to the Act. If the Board recommends any alterations in the existing rates and the Coy. fails to give effect thereto, such action as may be deemed necy. under the Act can be taken against the Coy. If approved, Mr.Nesvi may be informed, as per draft put up.

29-6-32

29/6

3056/36

(To issue from Poona).

D.O.No.3056/36-M.

P.W.D.Sectt.
Bombay, 1st July ~~June~~ 1939.

Dear Mr.(Nesvi)

Your D.O.dated the 20-6-39

re:electric supply rates at Belgaum. The Coy.is not agreeable to reduce its rates in accordance with the recommendations of the Electy. Adv: Committee. It is therefore proposed to refer the matter to an Advisory Board under clause XI of the Schedule to the I.E.Act, 1910. The orders re: the constitution of the Board are expected to be issued shortly.

Yours Sincerely

T.R.Nesvi,Esq.,
Parly.Secy.to H.M.,P.W.D.,
Poona.

No 687 of 1939-40
Municipal Office Belgaum.
Dated 26th July 1939

From,

The President,

Belgaum Borough Municipality.

To,

The Deputy Secretary,

to the Government of Bombay,

P.W.D., Bombay

Subject:- Belgaum Electric license .. Charges for the supply of electrical energy ..

Sir,

I have the honour to invite your kind attention to your letter No. 3056/36-M dated 29-4-1939 and request you to be good enough to inform me whether the matter has since been referred to an Advisory Board, under clause XI of the schedule to the Indian Electricity Act of 1910 and if so, how it stands now.

I have the honour to be

sir,

Your most obedient servant,

President,

Belgaum Borough Municipality.

CSJ.

(M-B) Submitted with the
183
necessary draft for abt.

29-7-39

PUBLIC WORKS DEPARTMENT
File No. 3056/36
27. JUL. 1939
Serial No. 17797

27-7-39

3056/36

17797

No 3056/36 M

P.W.D.

B.C 31 July 1939

To,

The President,

Belgaum Borough Munp.

Belgaum.

Dear Sir,

Belgaum El. Licence.
charges for the supply
of electrical energy

With reference to your
letter No. 687 dt the 26-7-1939,
on the subject mentioned above,
I am directed to inform you
that the question of constituting
the Advisory Board refd. to is
still under consideration & the
necessary orders in the matter
will be issued as soon as possible

Yours faithfully

ISSUED
31 AUG. 1939

POLITICAL AND SERVICES
27. SEP. 1939

No 1177 of 1939-40
Municipal Office Belgaum.
Dated 26th September 1939.

From,

The President,

Belgaum Borough Municipality.

To,

The Deputy Secretary,

to the Government of Bombay.

P.W.D.,

Bombay

Subject:- Belgaum electric license.
Charges for the supply of electrical energy.

Sir,

I have the honour to invite your kind attention to your letter No.3056/36-M dated 31-7-1939 and to request you to be good enough to inform me whether the matter has since been referred to an Advisory Board under clause XI of the schedule to the Indian Electricity Act of 1910 and if so what the report of the Board is.

The period of the agreement entered into by this Municipality with the Electricity Company expires by the end of October 1939 and in case the Municipality and the Company fail to arrive at any settlement, the Municipality will have to make its own arrangements of street lighting.

I, therefore, request you to kindly expedite the matter at an early date.

I have the honour to be

sir,

Your most obedient servant,

B B Patil

President,

Belgaum Borough Municipality

CSJ.

(M.B) Submitted with the necessary draft for approval

5-10-39

5/10

1 Recd

PUBLIC WORKS DEPARTMENT
File No. 3056/36
28. SEP. 1939
Serial No. 22923

28/9

28-9-39

29/9

3056/36

No 3056/36 Ka
P W D.

B.c 6th Oct 1939.

To

The President

Belgaum Borough Mung.

Belgaum.

Dear Sir,

Belgaum El Licence
Charges for the supply of
electrical energy

With reference to your letter
No. 1177 dt 26-9-1939, (P85) I am
directed to state that an
Advisory Board has been
constituted under Sec 35 of the
I.E. Act, 1910, Vide G.N. in the
P.W.D No. 3398/36 dt the 13-9-39
The Board is being requested to
enquire into and advise Govt
what alterations, if any, should be
made in the maximum rates
for the supply of electrical energy

⊗ with the fund of the Govt

3056/36

Issues by the Belgium El. Lemin, 1932 & the orders in the matters are enclosed to issue shortly.

Yours faithfully

5-10-39

ISSUED
7 - OCT. 1939

...OFF ASSOCIATION
ESTD.
19?3
BELGAUM

बेळगांव सराफ असोसीयेशनच्या तारीख
9/8/1979 रोजी भरलेल्या 'जनरल कमेटींत' पास जाहीर केला
ठरावाचा नकल :—

"जनरल कमेटी ठराव नं. 9 नें
26/8/79"

"कंपनीच्या विजेचे दर अत्यंत महागाईचे आहेत ते
तीन आणे युनीट पर्यंत कमी करणेत यावेत, तसेंच दर
पंपामागे दर महिन्यास 2 रु. फक्कणें जो 'स्टेडींग चार्ज'
घेतात तो रद्द करण्यांत यावा आणी पंपाचा वेगळा
औद्योगिक कारखान्यांचा फिटरचार्ज 1 रु. आहे तो 8 आणे
आकारावा. नागरिकांची इच्छा कंपनीकडून नविन परवाना पुन्हां
चालू होण्यापुर्वी पुरी करणे जरुरीचे आहे यावर सरकारने कटाक्ष ठेवावा.
कंपनीनें जर दर कमी केले नाहींत तर सर्व नागरिकानां
विजेचा उपयोग करणे बंद करावे लागले." याप्रमाणें मुंबई
सरकारकडे व कंपनीकडून यांना कळविले आहे ; मुंबई
सरकारकडून विचार होत आहे असे लिहून आले व
कंपनीनें फक्त काहीं औद्योगिक कारखान्यांचे फिटरचा चार्ज

SHROFF ASSOCIATION
ESTD.
1933
BELGAUM

थोडासा कमी केला आहे, व इतर बाबतीत युनीटमागें अवघा अर्धा आणा कमी केलेला आहे. असे असून फेब्रुवारी १९८० पासून औद्योगिक कारखान्यांच्या बाबतींत दर युनीटमागे अर्धा आणा वाढविणेंत येणार आहे अशी नोटीस काढणेंत आली आहे. तेव्हां पुर्वी कळविलेप्रमाणें सर्व दर ठेवणेंत यावे नाहींपेक्षा सर्व नागरिकांनीं विजेचा उपयोग करण्याचे बंद करावे असे या संस्थेचे मत आहे."

K U Jain

PRESIDENT.

जा. नं. १४
१८६१

SHROFF ASSOCIATION
ESTD.
1938
BELGAUM

POLI... S. RVICES
... T
File No.
22. JAN. 1940
Serial No.

मे. सेक्रेटरी टु दि गव्हर्नर, पब्लिक वर्क्स
डिपार्टमेंट मुंबई, यांचेकडे

अध्यक्ष सराफ असोसिएशन बेळगांव यांजकडून विनंती —

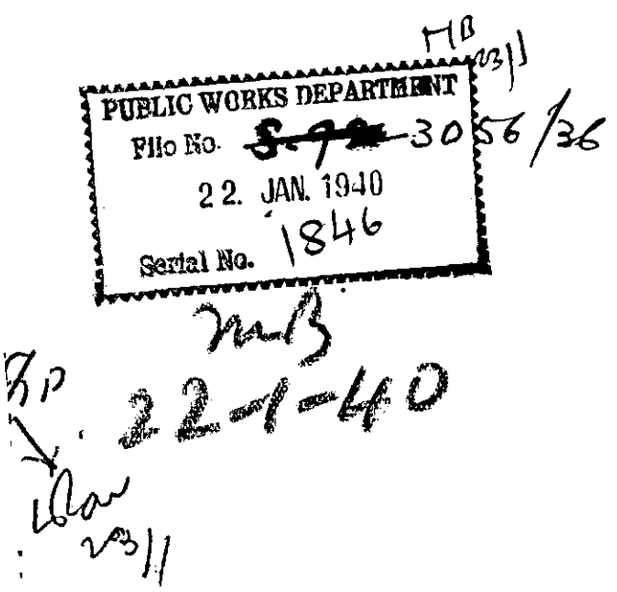
दि बेळगांव इलेक्ट्रीसिटी कंपनीने विजेचे दर, फिटर चार्जे, वगैरे आणी वसवेल्याबद्दल आपली सरकारकडे तारीख 2e/3/3e रोजी कळविले असता सरकारकडून S-92/10797 / 16-5-39 नंबरे कळविणेत आले, पण तमच्या विनंतीचा कांहीच उपयोग झालेला नसून उलट फेब्रुवारी २० पासून औद्योगिक कारखान्यांचे बाबतीत दर युनीटमागे अर्धाआणा वाढविण्याची नोटीस कंपनीने दिली आहे. सबब या संस्थान यांचेतर्फे ठराव केलेला आहे त्याची प्रत सोबत ठेविली आहे.

सोबतचे सरकाचे विचार शक्यतो लवकर सहानुभूतिपूर्वक लक्षात घेऊन वरीलप्रमाणे विज दर वसवणेची तजवीज ताबडतोब करणे आहे.

मेहरबान जाहीर असावी तारीख २० मे जानेवारी १९३९ इ.

सराफ असोसिएशन
बेळगांव
तारीख २०।१।१९३९ इ.

K V Gudgi
PRESIDENT.


PUBLIC WORKS DEPARTMENT
File No. 3056/36
22. JAN. 1940
Serial No. 1846

True copy of the Notice.

The Amalgamated Electricity Company (Belgaum) Ltd.
(Belgaum Electricity Branch)

Belgaum, Jan. 1 , 1940.

Dear Sir,

As the prices of essential materials such as liquid fuel, lubricating oil etc., required for generation of energy have risen by about 50 to 100 % , the Company is therefore forced to increase its rate for supply of energy to motive power consumers.

The rate per unit will be more by half anna per unit than the present rate with effect from 1st February 1940, and the rise will continue to be in force till further notice.

Yours faithfully,

The Amalgamated Electricity Co.
(Belgaum)Ltd.,

Belgaum Electricity Branch.

Sd/- T.R. Rawal.

Electric Engineer,

Belgaum.
26th Jan. 1940.

President,

Motive Power Consumers' Association,

Belgaum.

Rates for motive power purposes sanctioned by Governme[illegible] in 1935:-

Hours of restricted hours' supply.

Between 10 p.m. to 6 p.m.(excluding the period from 6 p.m. to 10 p.m.)

Vide bl. 41. no. 6999/p.m. dy 25-4-34 ext pp 21-22 of file 6999/37 Pl. III Instrs.

Scale of charges:-

A a) For motors upto and including 3 K.W. - As. 2.5 per unit.

b) For motors over 3 K.W. - A Standing charge of Rs.3/- per B.H.P. installed plus .8 annas per unit.

The present scale of charges charged by the Company.

Rates for restricted hours' supply.

a) For motors upto and including 3 K.W. - Varying rates for different kinds of consumers for different purposes, such as Agriculturists, Weavers, Wood-cutters, private house owners and grinding mill owners, all using motive power for their business.

B. b) For motors over 3 K.W. - A Standing charge of Rs.2/- per B.H.P. installed plus 9 pies per unit. The increased rates by the Company as per accompanying notice will be 6 pies more per unit, i.e, 15 pies per unit. All motive power consumers have entered into an agreement with the Company for a restricted hours' supply as the Company had issued notices not allowing any motors to run from 6 p.m. to 10 p.m.

Belgaum
26th Jan. 1940

President,
Motive Power Consumers' Association,
Belgaum.

From,

D.V. Belvi, Esqr. B.A.LL.B.

Advocate, Belgaum,

President,

Motive Power Consumers' Association,

Belgaum.

To,

The Secretary, to the Government of Bombay,

P.W.D., Bombay.

Dear Sir,

I, the undersigned, on behalf of the Motive Power Consumers' Association, Belgaum, have the honour to record the Association's protest against the recent increase of rates for supply of energy to motive power consumers, effected by the Amalgamated Electricity Company (Belgaum) Ltd. (Belgaum Electricity Branch).

693

2. Notices regarding the increase of rates for motive power have been served on the motive power consumers and the rates stated therein are higher. Owing to depression in trade and high prices of materials required for machinery, the consumers find it difficult to gain any profit even at the present rates.

3. Owing to the increase of rates the poor class of people earning their livelihood on grinding mills and agriculturists and other men using motive power for their business will suffer a great deal. The middle class of people will unnecessarily be put

to loss, if the rates of grinding are increased by motive power consumers.

4. The consumers had once represented to the said Company to reduce the present exorbitant rates some six months back, but no reply has been sent to them uptil now, but on the other hand the Company has increased the rates.

5. The increased rates are too heavy and the Company has taken full advantage of the maximum rates granted to it.

6. The said Company has not increased the rates for the electric light consumers, along with the motive power consumers, though the reason of a rise in the prices of materials given by them to motive power consumers, is common to both.

7. The Government of Bombay are trying to encourage industries but this Company is trying to uproot them by its exorbitant rates.

8. The rates of motive power are not increased in other places except Belgaum.

9. The Company suffers no loss if the rates are not increased as it has already earned a good profit, and is still making enormous profits, as the consumption of energy is sufficiently great beyond expectation.

10. Under these circumstances, the Motive Power Consumers' Association of Belgaum will be highly grateful to you, if you kindly consider its case in

a favourable light, and an early reply will oblige the Association, as the ennanced rates will be brought into effect from the 1st February 1940.

It is also requested that you will be so good as to issue instructions to the said Company, not to bring the increased rates into force, until the case is finally decided. The increased rates of the Company exceed the rates sanctioned in the license by Government.

C

A copy of the Notice issued by the Company regarding the increased rate accompanies.

Rates sanctioned by Government in 1935 and the present rates charged by the Company are given in the accompanying statement.

A reply is solicited to the following address before the 1st of February 1940.

I beg to remain,

Sir,

Your most obedient servant,

Belgaum,
20th Jan.1940

President,

Motive Power Consumers' Association,

Belgaum.

Address:-

V.B.Moghe, Esqr.
Vice-President,
1707, Ramdev Galli,
Belgaum.

Receipt acknowledged
of 31/1/40

29/1/40

31/1/40.

ISSUED
1- FEB. 1940

AS

2/2

PUBLIC WORKS DEPARTMENT
File No. ~~S 60/16~~
27. JAN. 1940
Serial No. 2305

27-1-40

True copy.

The Citizens of Belgaum, Assembled in this Public Meeting Resolve Unanimously as follows:-

A) The meeting is of opinion that the current rates charged by the Amalgamated Electricity Company to the consumers of Belgaum are very heavy and really oppressive and that they be reduced to at least three annas per unit so as to enable the middle classes and the poor to avail themselves of the Electric power.

This meeting is further of opinion that the rates charged at present by this Company for the energy consumed in the use of electric pumps and industrial concerns be also reduced to a reasonable limit and the standing charge of Rs.2/- per pump per month be wholly abolished and the meter charge of Rs.1/- be reduced to four annas.

B) This meeting requests the Government to see that the wishes of the public as embodied in the ~~xx~~ above resolution are duly complied with before the license of the Company is next renewed.

C) If the rates are not reduced as stated in the above resolution the public of Belgaum will be compelled to stop using electric energy altogether.

Resolved that the Chairman of this meeting be empowered to send a copy of the resolution to the Secretary to the Government of Bombay, P.W.D. and also to the Manager of the Amalgamated Electricity Company, Belgaum.

Copy forwarded with compliments to:-

1. The Secretary to the Government of Bombay, P.W.D. Bombay.
2. The Managing Director, The Amalgamated Electricity, Company Ltd., Bombay.

True copy.

From,

D.V. Belvi, B.A.LL.B., Esq.,

Advocate,

Belgaum.

To,

The Secretary to the Government of Bombay,

P.W.D., Bombay.

Sir,

P104

I have the honour to forward herewith a copy of resolutions passed by the citizens of Belgaum on the 24th of April 1939 protesting against the present exorbitant rates charged by the Amalgamated - Electricity Co.(Belgaum) Ltd., on the electrical energy consumed by the public of this place and requesting the Company concerned to comply with their wishes by reducing their rates as per resolutions referred hereto and also requesting the Government to intercede in their behalf.

I have the honour to be,

Sir,

Your most obedient servant,

24-4-1939.)
Belgaum.)

President,

The Belgaum Citizens' Meeting.

True copy.

No.3056/36. M.

Public Works Department.

Bombay Castle, 5th May 1939.

From;

R.H. Hammett, Esquire, M.Inst.C.E.I.S.E.,

Deputy Secretary to the Government of Bombay,

Public Works Department.

To,

D.V. Belvi, Esquire, B.A.LL.B.,

Advocate,

Belgaum.

Subject:- Belgaum Electric License: charges for the supply of electrical energy.

Dear Sir,

With reference to your letter 615 -- dated the 24th April 1939, I am directed to state that as the Electric & Supply Company at Belgaum is not agreeable to reduce its rates of supply in accordance with the recommendations of the Electricity Advisory Committee it is proposed to take action in the matter in due course under Clause XI of the Schedule to the Indian Electricity Act, 1910.

Yours faithfully,

Sd/- R.H. Hammett
8/5

Deputy Secretary to the Government of Bombay, Public Works Department.

Dxx

From,

V.B. Mogne,

Vice-President,

The Electricity & Motive Power Consumers' Association,

1707, Ramdev Galli,

Belgaum.

To,

The Secretary to the Government of Bombay,

P.W.D., Bombay.

Sir,

I have the honour to send herewith a copy of P 107 resolutions passed by the citizens of Belgaum against the Amalgamated Electricity Co.(Belgaum) Ltd., a copy of P 105 the letter to you by the president, the Belgaum citizens' meeting, and a copy of reply P 107 to him sent by you on 5th May 1939.

It is now again requested by the said Association that the Government of Bombay may kindly take action in this matter under Clause XI of the Schedule to the Indian Electricity Act, 1910, as stated in your letter No. P 67 3055/36 M. P.W.D. dated 5th May 1939. The period of the license issued to the said Company expired in October 1939 and it is now time to consider about reduction of rates in these days of scarcity, by appointing an Advisory Board. The said Association has already represented this matter to you by submitting an application signed by the President on the 26th Jan.1940.

Under these circumstances it is strongly hoped that necessary steps may kindly be taken in this respect as early as possible. It is further requested to kindly let me know whether the Government has renewed the license in favour of the said Company for the next term.

Belgaum
6th Feb.1940.

I beg to remain,
Sir,
Your most obedient servant
V.B. Mogne
Vice-President,
The Electricity & Motive Power Consumers' Assn,
Belgaum.

(Accompaniments 3)

110

Receipt acknowledged.

ISSUED
12. FEB. 1940
1888

A-S.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
7- FEB. 1940
Serial No. 3272

(M.B.) Submitted together with Srl.Nos. 1846 and 2305.

2. The petitions within are from (i) Shroff Assocn.,Belgaum, (ii) Motive Power Consumers' Asscon.,Belgaum and (iii)from the President,the Belgaum Citizens' meeting. The resolutions passed by (i) and (iii) are very nearly the same. They urge that the rates of supply of electric energy in Belgaum are very high and should be reduced before the license is revived. As regards ~~their~~ this, it may be stated that the Belgaum El.License was granted in May 1932. According to the terms of the license the option of purchase can be exercised first after 40 years i.e.1972. The question of alteration of maxima rates has been refd.to the Adv: Board vide G.R.No.3398/36, dated the 10-10-39. On receipt of the Board's recommendation an order will be issued under clause XI of the Schedule to the Act. The petitioners may be informed as above after u.o.r.to the El.Engr.to Govt.

3. The President,Motive Power Consumers' Assocn. states that the increased rates of the Coy. exceed the rates sanctioned in the license. In this connection pl.see rates at A of p.95 ante which have been sanctioned by Govt. in G.L.No.6999/27-M,dated the 25-9-34. The present scale of charge, charged by the Coy.is given at B of the same page. The El.Engr.to Govt.may be requested to state whether the rates now charged by the Coy.exceed those sanctioned by Govt.

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 3583
22 OCT 1940
File No.
P. W. D., BOMBAY

1 FEB 1940

BKR.
15/2

16/2/40

* with file 6999/27-M Kelkar

U.O. to El. Engr. to Govt 17/2/40

To

The Collector,Belgaum.

Sir,

We the undersigned consumers of Electricity for working the water pumps for our fields beg to lay before Your Honour the following against the Belgaum Electricity Co. Ltd., for your kind consideration.

1. Some of the pumps were started by the consumers with the clear understanding with the electricity Co. that the said Co. would charge the consumers on the basis of the acreage of the field according to the graduated scale.This went on for about three years.

2. During the interval the Co.started another system of charging the new consumers on the basis of units of Electricity consumed and offered the new consumers a choice of selecting of either of the system and represented to them that the unit system would be easier to work out and would not exceed the charges of the acreage system with a clear understanding that no charges will be levied during the period when the pumps stand disconnected.

3. According to the acreage basis the power was to be supplied all the year round.

4. The acreage system has now been completely stopped and the unit system has been started.

5. Now the Co.has been demanding 0-1-3 per unit of energy consumed instead of 0-0-9 for the same.

6. The nine pies system has been going on for about two years past and the Co. has served each power consumer with a notice that 0-1-3 per unit would be charged from the first of February 1940. The ground on which the Co. demands the additional charges per unit are that owing to the war conditions the price of liquid fuel,lubricating oil etc. have gone up by about 50 to 100 per cent.On enquiries the applicants find that there has been an increase of about 10 to 15 per cent only.But the Co. charges an excess of 66%.This is extremely unjust especially when Government is trying to aliviate the sufferings of the agriculturists whose condition on account of poverty and indebtedness is very deplorable. The question of the agricultural

power consumers is also one which directly concerns the agriculturists and the labouring classes. The non-agricultural power consumers e.g. flour mill owners will charge their consumers nearly 70% to meet the extra charges to be levied upon them by the electricity Co. Thus the poor agriculturists who cannot stop the pumps on account of necessity of water for their crops would be doubly hit by the new excess sought tobe imposed. Many cultivators have stopped their bullock water lifts and have taken water pumps and have also, in many cases run into debt for purchasing the necessary machinary.

The Co. has been a very prosperous one and has made good profit from its start.

We therefore, pray that pending the enquiry of this application, the proposed excess sought to be imposed by the Co. may be ordered to be held in abeyance and after investigating the whole matter final orders in this behalf may be passed.

A copy of the notice issued by the Co. is kept herewith.

Sd.K.T. Patil

etc. etc.

Copy of letter No.Nil dated 1st January 1940 from the Amalgamated Electricity Co.(Belgaum) Ltd. to K.T. Patil,Esquire

...

" As the prices of essential materials such as liquid fuel, lubricating oil etc., required for generation of energy have risen by about 50 to 100%, the Company is therefore forced to increase its rate for supply of energy to motive power consumers.

The rate per unit will be more by half anna per unit than the present rate with effect from 1st February 1940 and the rise will continue to be in force till further notice."

No.P.S.C. 249.

Belgaum 6-2-1940.

To

The Amalgamated Electricity Co.,
Belgaum Ltd.,
17-B Elphinstone Circle, Fort Bombay.

Sirs,

I have the honour to inform you that an application from the Motive power consumers of Belgaum complaining against the increase of rate for supply of energy to them from Re. 0-0-9 to Re.0-1-3 from 1-2-1940 has been received. In this connection, I would invite your attention to Government letter (P.W.D.) No.3056/36 M dated 26-1-1939 addressed to you fixing a rate of Re. 0-0-9 per unit, and request you to inform me whether you have obtained Government orders for increasing the said rate to 0-1-3 per unit.

2. A very early reply is requested.

Your most obedient servant,

Sd.B.Venkatappiah,

Collector of Belgaum

Copy of letter No.AMAL/BELGAUM dated 1st February 1940 from the Amalgamated Electricity Co.(Belgaum) Ltd., Bombay to K.T.Patil,Esquire,Belgaum.

...

" We have received a copy of your application forwarded to the Collector of Belgaum.

With a view to give as much facility as is within our power, though with difficulty,to our consumers at Belgaum we have decided only to stop the rebate hereto allowed to the agricultural consumers instead of raising the rate per unit by half an anna."

...

Copy for information to the Collector of Belgaum with reference to the representation of the Agricultural consumers.

...

Copy of letter No.AMAL/BELGAUM dated 8th February 1940 from the Amalgamated Electricity Co.(Belgaum) Ltd.,Bombay to the Collector of Belgaum.

...

" With reference to your letter No.M.S.C. 249 dated 6th instant, we have to state that the recommendations contained in the Government letter (P.W.D.) No.3056/36-M,dated 26-1-1939, have not been accepted by us and we had accordingly informed the Government in the matter."

Subject: Electricity Charges.
Complaint regarding increase of ...

...

No.M.S.C. 249.

Belgaum, 19th February 1940.

From

B.Venkatappiah,Esquire,I.C.S.,

Collector of Belgaum;

To

The Secretary to Government,

Public Works Department,Bombay.

Sir,

I have the honour to state that the Amalgamated Electricity Company,Ltd.,Belgaum, was upto the end of January 1940, charging a rate of one anna per unit of energy supplied for power,and was allowing a rebate of 25% in the case of consumers paying the dues before a certain date. The Company issued a notice to the consumers to the effect that the rate per unit would be increased by half an anna, with effect from 1st February 1940 on account of increase in the cost of generation. Thereupon the customers applied to me, praying for my interference in the matter and stating that the proposed increase in rates was unwarranted and would cause hardship. A copy of the application was also sent by them to the Company at Bombay. With reference to this copy, the Amalgamated Electricity Company,Belgaum,Fort Bombay, replied that in response to the consumers' representation, the Company had decided ~~kkx~~ not to increase the rate but instead, to stop the rebate. A copy of the reply was sent to me. Meanwhile, I had referred the matter to the Company with reference to Government letter No.3056/36-M dated 26-1-1939(P.W.D.) a copy of which was sent to me. In reply to this reference the Company replied that the recommendations contained in the said Government letter had not been accepted by the Company and that the Company had informed Government accordingly.

2. The consumers had also applied to the Chairman, Rural Development Board,Belgaum,regarding the same matter.

In the meeting of the Rural Development Board, held on 13-2-1940, it was resolved that the Collector should negotiate with the Company for the purpose of securing to the consumers the continuance of the existing rate with the concession of rebate. In the informal discussion which preceded, it was agreed that it would certainly be a hardship to agricultural consumers, if the Company's present proposal was enforced before the end of May 1940, since the agricultural operations are already in progress and the consumers are committed to them; whereas after May, they would have the liberty of making different arrangements, if they do desire.

3. I submit this to Government so that Government may, if it approves, negotiate with the Company as on a former occasion, and if possible, secure the continuance of the present rate and concession.

4. Copies of the correspondence are enclosed.

Your most obedient servant,

Collector of Belgaum.

K.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
21 FEB 1940
Serial No. 4399

21-2-40

3056/36

4399

(in B.) Submitted

2. The main file containing representations against the increase in rate for the supply of electrical energy at Belgaum has been referred no. to the Elec. Engr to Govt. on 16-2-40. These papers may also be referred to Govt offices in continuation.

23/2/40

V. D.S

Le above no.

H.O. to El. Engr to Govt.

461 + 150

ELECTRICAL ENGINEER
TO GOVERNMENT
Inwd. No. 3584
22 OCT 1940
File No. LRM12
W. D., BOMBAY

From,

D.V.Belvi, Esq. B.A.LL.B.,

Advocate, Belgaum.

President, The Electricity & Motive Power Consumers' Association, Belgaum.

To,

The Secretary to the Government of Bomoay,

P.W.D., Bombay.

Sir,

pp 102-110 Letter acknowledgment

With reference to your Nos. 3056/36 M dated 31st Jan.1940 & 12th Feb.1940 from the Asstt. Secty., to the Government of Bomoay on the subjectof the charges for the supply of electrical energy, at Belgaum, you are respectfully reminded to kindly take action at an early date in the matter of the applications submitted to you on 26th Jan. '40 and 6th Feb. '40 on benalf of the Electricity & Motive Power Consumers' Association, Belgaum. Your attention is also drawn to No.3056/36M dated 5th May 1939 from the Dy. Sectry. to the Government of Bombay, P.W.D.

pp 97-102-109

p67

I beg to remain,

Sir,

Your most obedient servant,

D V Belvi

President,

The Electricity & Motive Power Consumers Association, Belgaum.

Belgaum,
8/10/1940

126

no letter El Engr to Sec'y 1612 mo

MB 12/X

PUBLIC WORKS DEPARTMENT
No. 3056/36
11 OCT 1941
Serial No. 20988

11-6-41

To

The Hon'ble Finance Minister,

Bombay Presidency,
POONA.

Sir,

We the undersigned consumers of electricity for working Water-Pumps for our fields beg to lay before you the following grievances against the Belgaum Electricity Company Ltd. for your consideration.

(1). Some of the Pumps were started by the consumers with the clear understanding with the Electricity Company that the said Company would charge the consumers on the basis of acreage of the fields, according to the graduated scale. This system continued for about three years.

(2). During the interval, the Company started another system of charging the new consumers on the basis of Units of Electricity consumed, and offered the new consumers a choice of selecting either of the systems; and represented to them that the Unit system would be easier to work out and would not exceed the charges according to the acreage system with a clear understanding that no charges will be levied during the period, in which the Pumps will be disconnected.

(3). According to the acreage basis, however, the Power was to be supplied all the year round.

(4). The Electricity Company has recently been demanding charges on the unit basis for the whole of the year from the acreage system consumers and the unit system consumers calculated according to the unit basis.

(5). The acreage consumers have been supplied with the unit system bills and this step was objected to by the agriculturists, and the Company had adjusted their accounts on the acreage basis.

(6). Now, the Company has been demanding charges even for a period during which no power is needed and has been threatening the consumers, with disconnecting the pumps altogether, unless, the unit system charges are paid throughout the year.

(7). All the new consumers according to the unit system have been told verbally that no charges will be recovered for the period during which power is not needed.

(8). The Company is also threatening, the acreage system consumers, with disconnecting the pumps unless they submit to the unit system charges.

(9). We therefore humbly submit that an inquiry in this respect be kindly made and the Company be ordered to adhere to their promise.

(10). On the distinct understanding and promises of the Company, poor agriculturists have been made to spend large amounts over the purchases of machinery(pumps, pipes, motors etc.,) from the said Company and have erected cabins and taken connecting wires for which they have

separately spent.

(11). Some of the cultivators have closed their bullock water lifts on the understanding and promises given by the Company through their Agents.

(12). It is therefore further prayed that if any cultivator finds it unsuitable to accept the terms sought to be imposed on him the Company may be ordered to take back all the machinery supplied by them to the cultivators and reimburse him to the full extent to which he has been made to spend.

(13). The Company has already disconnected some of the pumps working on the acreage system, without any right, and they may be immediately ordered to restart the pumps already closed, as the farm animals cannot be watered, without the working of the pumps.

(14). It is further prayed that the rates now being exhoribitant, be also kindly reduced by removing the standing charge of Rs.eight a month per pump for agriculturists only. The other industrial installations of Electricity amount to a minimum of 1500 Units nearly while the Agriculturists' installations do not exceed 300 Units nearly. So a standing charge of Rs.2/- per horse power of the Motor which in case of agriculturists a uniform machine four horse powers amounts to Rs.8/- p.m. and Rs.96/- per year. This is too much for the poor agriculturists.

(15). And for this act of grace, we shall ever pray.

A copy has been submitted to the Collector Belgaum

We beg to remain,
Sir,
Yours most obediently,

Belgaum,

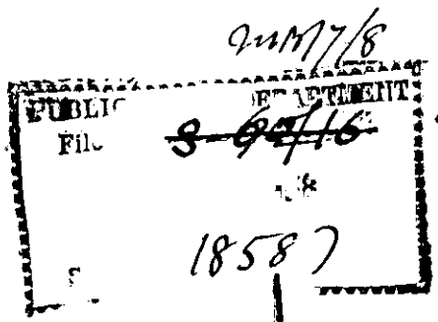
26th July 1938 .

A.P. Chaugule

Address:
Rao-Bahadur, A.P. Chaugle,
Sheri-galli, Belgaum.

R.H. Patil.
Date 25/7/1938.

K. T. Patil


PUBLIC
DEPARTMENT
File
3-6446
3056/36
1858

3056/36
~~S.60/16/18587~~

No. S.60/16/18587-M.

P.W.D.

B.C., 19th Aug. 1938

To

Rao Bahadur

~~B.B.~~/A. P. Chougle,

Sheri-galli, Belgaum.

Subject:- Grievances of the licensees against the Belgaum Elec. ~~Supply Corpn.~~ license

Dear Sir,

I am directed to acknowledge the receipt of the letter D/- dt. the 26-7-38, signed by you and others, and addressed to the H. M., F.D., and to state that it is receiving attention.

Yours faithfully,

S.A. nil.

17-8-38.

18/8/38

Issue and then resubmit.

18/8/38.

ISSUED

22 AUG 1938

eb
w/s H.S

S.60/46/1858.7.

M.B.

Submitted with ref. to the orders p.1 within.

2. The H. M. F.D., has ordered p.1 that the Colle. of Belgaum may be requested to look into the matter & report. In this Con. it may respectfully be stated that such cases are usually refd. to the El. Engr. to Govt. for investigation and submission of report. Accordingly, this letter M.1-7 may perhaps be forwarded to the El. Engr. to Govt. for report as per draft - endl: put up.

Gal
25-8-38.

24/8/38

S.60/16/18587. 138

Below copy of letter dt. the 26-7-38, from Rao Bahadur A. P. Chaugle and others.

No. S.60/16/18587-M.

P.W.D.

B.C., 25 Aug. 1938.

Copy forwarded, w.c., to the El. Engr. & Cont. for favour of investigation ~~&c~~ ~~the matter~~ and ~~submission~~ report as soon as possible:

By order of the G.of.B., Asst. 23-8-38

24/8/38

ISSUED
27 AUG 1938
27/8

The El. Engr. & Cont. copd. under No. S.60-16/18587-M, of 26/27 Octr 1938.

Asst. 30-9-38.

ISSUED
10 OCT 1938

9165/33.

S-40/16/1858

(N-B) Submitted

2. Please see the El. Engr's report of the 2-11-38 on R-D. file No 9185/33 submitted as a limited case. Since the matter has been dealt with fully in the R-D. file, that deptt. may be requested to submit their case to H.M. P.W.D & H.M. F.D. also with reference to their notes on p/ ante and return these papers when done with.

5-11-38

7/11

10/11

U.O. W.R.D 11/11

11/11

REVENUE DEPARTMENT
File No.
11. NOV. 1938
Serial No. F

17/11

3056/36.

S.~~60/16~~/18587-P.W.D.

Revenue Department.

Submitted with reference to the office note of to-day's date in linked case (File No.9185/33). These papers may also be forwarded u.o. to P.W.D. along with the linked aase.

17-1-39
18

U.
18.1.39.

D.S.

W. Shawler

U.R. dated 18th January 1939 to P.W.D.

PWD
S-60/16.

P.W.D.

(M.S.) Submitted with reference to the office note of to-day's date in folio 12 of R.D. file No. 9185/33 submitted as a linked case. These papers may be returned back to the R.D. with reference to the note on p. 13 ante, with a request to return them when done with.

23-1-39

REVENUE DEPARTMENT
File No. S-60/16 (P.W.D.)
24. JAN. 1939
Serial No.

L.D. to the R.D. 24/1

Revenue dept.

Submitted with reference to the R.D. to the notes at page 48 of the linked case (File No. 9185/33). Further action on these papers may be held up till the receipt of the detailed report of the Electricity Advisory Committee from the Public Works dept.

16-2-39

17.2.39

PUBLIC WORKS DEPARTMENT
File No. S-60/16 3056/37.
16 JAN 1939
Serial No.

4-1-39

Rev. Dept.

The P.W.D. may be requested
to c.o. to Public Works Dept.
may expect to receive the
detailed report of the Electricity
Advisory Committee.

d/c,
31-5-39

1.6.39

Previous file 9185/33
J.A.S.

W. & O.R. to P.W.D. dated 2/6/39

P.W. Deptt

(M.S.) Submitted

2. A copy of the detailed report of the Electricity Advisory Committee on the Amalgamated Electricity Corp (Belgaum) Ltd (Belgaum Br.) may be shown to the R.D. as desired by Deptt. The R.D. may be requested to treat the document as confidential, as it is not proposed to publish the report.

3 The Supply Corp at Belgaum was requested to reduce its rates of supply in accordance with the recommendations of the Committee, but it is not agreeable to the proposal. It is therefore proposed to refer the matter in due course to an Advisory Board under clause XI of the Schedule to the I.E. Act, 1910.

10-6-39

CEO, WRD — d/14/6

Dy SRD (with R.D. file 9185/33 & Colvin's letter)

PUBLIC WORKS DEPARTMENT
File No. 5 60/16 3056/36-16
2 JUN 1939
Serial No. 5537

REVENUE DEPARTMENT
File No.
14. JUN. 1939
Serial No. E

P.W.D. note re 9185/33 (S.A. put below all) 12/6/39

Rec. Dept.

attendance is minimal to Rec office
note dt 21-6-39 in Rec Linked
case (9185/33)

D.C.
21-6-39

21.6.39

2-8.

S-60/16.

(M.R.) Submitted

2 Plans as noted on
of to-day's date on R.D file
No. 9185/33 submitted as a limited
case. It is proposed to submit
that file to H.M.P.W.D. & H.M.T.D.
with reference to these notes on
p/ ante. No further action
is called for on these papers
which may now be filed.

1-7-39.

PUBLIC WORKS DEPARTMENT
File No. ~~S-60/16~~ 3056/36
24. JUN. 1939
Serial No.

To,

The Collector,

Belgaum District,

B e l g a u m.

Sir,

We the undersigned consumers of Electricity for working the water pumps for our fields beg to lay before Your Honour the following against the Belgaum Electricity Co Ltd., for your kind consideration.

1. Some of the pumps were started by the consumers with the clear understanding with the electricity Co that the said Co would charge the consumers on the basis of the acreage of the field according to the graduated scale. This went on for about three years.

2. During the interval the Co started another system of charging the new consumers on the basis of units of Electricity consumed and offered the new consumers a choice of selecting of either of the system and represented to them that the unit system would be easier to work out and would not exceed the charges of the acreage system with a clear understanding that no charges will be levied during the period when the pumps stand disconnected.

3. According to the acreage basis the power was to be supplied all the year round.

4. The acreage system has now been completely stopped and the unit system has been started.

5. Now the Co has been demanding 0-1-3 per unit of energy consumed instead of 0-0-9 for the same.

6. The nine pies system has been going on for about two years past and the Co has served each power consumer with a notice that 0-1-3 per unit would be charged from the first

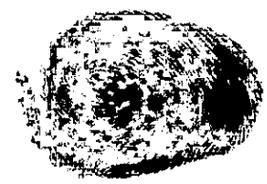
of February 1940. The ground on which the Co demands the additional charges per unit are that owing to the war conditions the price of liquid fuel, lubricating oil etc. have gone up by about 50 to 100 percent. On enquiries the applicants find that there has been an increase of about 10 to 15 per cent only. But the Co charges an excess of 66%. This is extreamly unjust especially when Government is trying to aliviate the sufferings of the agriculturists whose condition on account of poverty and indebtedness is very deplorable. The question of the agricultural power consumers is also one which directly concerns the agriculturists and the labouring classes. The non-agricultural power consumers e.g. flour Mill owners will charge their consumers nearly 70% to meet the extra charges to be levied upon them by the electricity Co. Thus the poor agriculturists who cannot stop the pumps on account of necessity of water for their crops would be doubly hit by the new excess sought to be imposed. Many cultivators have stopped their bullock water lifts and have taken water pumps and have also in many cases run into debt for purchasing the necessary machinary.

The Co has been a very prosperous one and has made good profit from its start.

We therefore pray that pending the enquiry of this application, the proposed excess sought to be imposed by the Co may be ordered to be held in abeyance and after investimgating the whole matter final orders in this behalf may be passed.

A copy of the notice issued by the Co is kept herewith.

K. T. Patil



THE AMALGAMATED ELECTRICITY CO. (BELGAUM) LTD.

(BELGAUM ELECTRICITY BRANCH.)

Tel. No. 19. ELECTRIC HOUSE,

Ref. No. ..... BELGAUM JAN 1 1940 194

K.T. Patil. Esq c.N. 1224.

Dear Sir,

As the prices of essential materials such as liquid fuel, lubricating oil etc., required for generation of energy have risen by about 50 to 100%, the Company is therefore forced to increase its rate for supply of energy to motive power consumers.

The rate per unit will be more by half anna per unit than the present rate with effect from 1st February 1940, and the rise will continue to be in force till further notice.

Yours faithfully
The Amalgamated Electricity Co. (Belgaum) Ltd.
Belgaum Electricity Branch.

To

His Excellancy, The Governor of Bombay,

1940 Bombay.

ack PWD

May it please your Excellancy,

The humble petition of the undersigned agriculturists of Belgaum most respectfully showeth :-

That the petitioners have submitted an application to the Collector of Belgaum regarding their grievances against the Belgaum Electricity Co Ltd.

The petitioners herewith beg to submit a copy of the said application for the consideration of Government and and redress of their grievances. No. 21-25

Petitioners humbly pray that the complaint will receive attention and the grievances removed.

For this act of grace the petitioners shall as in duty bound shall ever pray.

Belgaum,
28-1-40

I have the honour to be,
Sir, Your Excellency,
Yours most obediently,

K. T. Patil

Secretary.

Address :-
K.T.Patil,
Hon.Secretary,
to The Gardners' Sale
Society, BELGAUM.

Petition from Mr. K. T. Patil, Belgaum, dated the 28th January 1940.

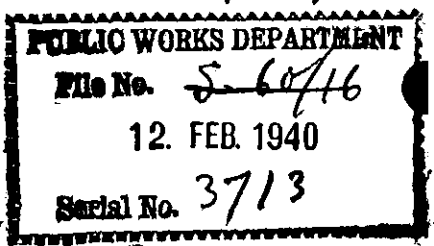
Transferred to the Public Works Department for disposal.

The receipt of the petition has been acknowledged.

By order of
the Governor of Bombay,

Assistant Secretary,
Governor's Secretary's Office.
10th February 1940.

3056/36. MB 13/2



MM 13/2

MD 12-2-40

13/2

S-60/16
3713

(N.B) Submitted

2. The question of altering the maximum charges provided in the Belgaum Electric Licence has been referred to the Advisory Board constituted under Sec. 35 of the I. E. Act, 1910. Until the Board's recommendations are received, no action seems possible on the grievances set out in the petition (Pp 21-23). The El. Engr. to Govt may however be asked.

10-2-40

U.O. to El. Engr. 15/2/40

Govt 2/3/40

Reminder No. 15/2

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 3578
21 OCT 1940
File No. ARM12
P. W. D., BOMBAY

Below U.O.R. No.S.60/16/3713 dated the 15th February 1940, from Government in the Public Works Department.

No.LRM.12/ 2484 of 1940.

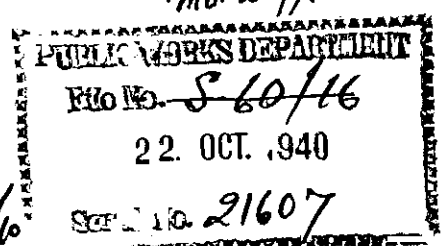
Bombay, 21st October, 1940.

Seen and returned, with compliments.

Electrical Engineer to Govt.

DFP.

MB. 22/X



3056/36

MM
M/60

MB
22-6460

A

Comparative Statement of the cost of electric supply at Belgaum.

Restricted supply for Motive Power Purposes.

Present rate sanctioned.	Rates actually charged.		
(a) For motors upto & including 3 K.W.- Annas 2.5 per unit.	(i) Flour mills, power looms, factory etc., - Anna one per unit, plus a standing charge of Rs.2/- p.m. per B.H.P.	(ii) Domestic House Service Pumps - Annas two per unit, allowing 10 units free p.m. per B.H.P. installed, plus a standing charge of Rs.2/- p.m. per B.H.P.	(iii) Agricultural pumps installation.- Anna one per unit, plus a standing charge of Rs.2/- p.m. per B.H.P. (The minimum charge Rs.24/- per B.H.P.)

Example I:-

Installation = 1 K.W.
Normal hours per day = 10
Working days in a month = 25
Total units = 250.

Cost of energy :- Rs.37-13-0.

Example II:-

Installation = 1 K.W.
Normal hours per day = 10
Working days in a month = 25
Total units = 250

Cost of energy:-
Standing charge = Rs. 2- 0-0
Cost of units = Rs.15-10-0
Rs.17-10-0

Example III:-

Total units 250 as per details in Example I.

Cost of energy:-
Standing charge = Rs. 2-0-0
Cost of units (250 - 10) = Rs.30-0-0
Rs.32-0-0

Example IV:-

Total units 250 as per details in Example I.

Cost of energy:-
Standing charge = Rs. 2- 0-0
Cost of units = Rs.15-10-0
Rs.17-10-0

(Minimum charge = Rs.24/-).

(P.T.O.)

Present rate sanctioned.	Rates actually charged.		
(6) For motors above 3 K.W.-A standing charge of Rs. 3/- per B.H.P. installed, plus 0.8 anna per unit.	(i) Flour mills, power looms, factory etc., - Anna one per unit, plus a standing charge of Rs.2/- p.m. per B.H.P.	(ii) Domestic House Service Pumps - Annas two per unit, allowing 10 units free p.m. per B.H.P. installed, plus a standing charge of Rs. 2/- p.m. per B.H.P.	(iii) Agricultural pumps installation.- Anna one per unit, plus a standing charge of Rs. 2/- p.m. per B.H.P. (The minimum charge Rs. 24/- per B.H.P.)

Example V:-

Installation = 4 K.W.
Normal hours = 10
Working days in a month = 25
Total units = 1000

Cost of energy:-

Standing charge = Rs. 9-0-0
Cost of units = Rs.50-0-0
Rs.59-0-0

Example VI:-

Total units 1000 as per details in example V.

Cost of energy:-

Standing charge = Rs. 6-0-0
Cost of units = Rs.62-8-0
Rs.68-8-0

Example VII:-

Total units 1000 as per details in example V.

Cost of energy:-

Standing charge = Rs. 6-0-0
Cost of units (1000 - 30) = Rs.121-4-0
Rs.127-4-0

Example VIII:-

Total units 1000 as per details in example V.

Cost of energy:-

Standing charge = Rs. 6-0-0
Cost of units = Rs.62-8-0
Rs.68-8-0
(Minimum charge = Rs.72/-).

Electrical Engineer to Govt.

DFP.

Below U.O.R.No.3056/36/3272 dated the 16th February 1940, from Government in the Public Works Department.

No. LRM.12/ 2487 of 1940.

Bombay, 22nd October 1940.

Returned, with compliments, with U.O.R.dated the 24th February 1940.

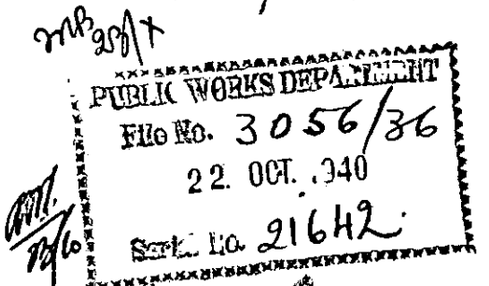
2. I agree with paragraph 2 of the Secretariat Office note on page 111 ante.

3. As regards paragraph 3 of the note, it is stated that the rates at present charged by the Supply Company for the restricted supply so far as the motive power consumers having motors of and including 3 K.W. are concerned, appear reasonable and compare favourably with those sanctioned in Government Letter No.6999/27-M dated 25-9-1934, (vide examples I to IV in the comparative statement enclosed); but the consumers having motors above 3 K.W. are required to pay more than the legitimate charge under the sanctioned rate, (vide examples V to VIII in the comparative statement). Although the consumers of the latter class will not be many, it is desirable that they should not be adversely affected. It is therefore suggested that the Company may be asked to modify its existing schedule of actual rates in such a way that in no case will a consumer be required to pay more than he is called upon to pay under the rate sanctioned in Government Letter No.6999/27-M, dated the 25th September 1934.

Electrical Engineer to Govt.

P.

3056/36/439?
6999/27-III.
1 Reference



(M.B.) Submitted together with S.Nos. 20988 & 21607.

2. In view of the El.Engr's remarks draft put up may issue.

No.3056/36-M.

P.W.D.,B.C., 12th Novr.1940.

To

The Amalgamated Electricity Co,,
(Belgaum) Ltd., (Belgaum Branch),
17-B Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum El.License.
Charges for the supply of
electrical energy.

...

Dear Sirs,

It has been brought to the notice of Govt. that according to the existing schedule of actual rates for supply of energy for motive power purposes during restricted hours, the consumers having motors above three K.W. are reqd.to pay more than the legitimate charge under the rate sanctioned in G.L.No.6999/27-M, dated the 25-9-34 - vide examples V to VIII in the comparative statement. As it is desirable that the consumers of this class should not be adversely affected, I am to request you to modify your existing schedule of actual rates in such a way that in no case will a consumer of the above class be reqd.to pay more than he is called upon to pay under the rate sanctioned in G.L.quoted above. The action taken by you may be reported to Govt.

Yours faithfully,

Copy forwarded to -

the Commr., S.D.,

the Collr.of Belgaum (with ref.to his letter No.M.S.C.249,dated the 19-2-1940).

2. The rates at present charged by..

3056/36/21642.

by the Supply Co. for the supply during the restricted hours so far as the motive power consumers having motors of and including 3 K.W. are concerned appear reasonable and compare favourably with those sanctioned in G.L.No.6999/27-M, dated the 25-9-1934).

ISSUED
15 NOV. 1940

Copies forwarded to the El.Engr.to Govt. with ref.to his memo.No.LRM.12/2487, dated the 22-10-1940.

GR
5/xi

No.3056/36-M.

P.W.D.,B.C., 12th Novr.1940.

To

(1) K.V.Yalgi, Esqr.,
President, Shroff Assocn.,
Belgaum.

(2) D.V.Belvi, Esqr., B.A.,LL.B.,
Advocate,
President, Motive Power
Consumers' Association,
Belgaum.

(3) K.T.Patil, Esqr.,
Hon.Secy., The Gardeners' Sale
Sale Society, Belgaum.

Subject:- Belgaum Electric License.
Charges for supply of electrical energy.

Dear Sir,

With reference to your letter[x]
(1) No.14/1861,dated the 20-1-1940, p91
(2) dated the 26-1-1940 & 6-2-1940, I 19.97 d/05
(3) dated the 28-1-1940, p155
am directed to state that Govt. has appointed an Advisory Board to enquire into and advise Govt.what alterations, if any, should be made in the maxima rate for the supply of electrical energy fixed by the Belgaum El.License, 1932 .
On receipt of the Board's recommendations necy.orders will be issued in the matter.

Yours faithfully,

6/11/40

Copy forwarded to the El.Engr.to Govt. with ref.to his memo.No.LRM.12/2487, dated the 22-10-1940. p167

6/11/40

copy also to the Collr of Belgaum and the Commr. S.D. for information.

6/11/40

7/11

9/11

[x] letters in the case. (2)

D.A.- Nil.

ISSUED
15. NOV. 1940

DS

GR
5/xi

THE AMALGAMATED ELECTRICITY Co., (BELGAUM) LTD.

(BELGAUM BRANCH).

TEL. ADD. "CONELECTRO"
TELEPHONE No. 20704.

P. O. BOX No. 879.
17B, ELPHINSTONE CIRCLE, FORT,

Ref. No. AMAL/BEL/-

BOMBAY, 21st November, 1936.

The Deputy Secretary to Government of Bombay,
Public Works Department,
B O M B A Y.

Dear Sir,

Ref: Your letter No. 3056/36-M of 12th instant.
Re: Belgaum Electric License - Charges for the supply of Electrical Energy.

With reference to the above, we beg to invite your attention to the further amendment of License as per Notification No. 8778/27 dated 27th May, 1936, and accordingly for motors over 3 K. W. sanctioned rates are as under:-

Over 3 K.W. a standing charge of Rs. 3/- per month per K. W. installed or a fraction thereof plus anna one & pies six per unit.

We trust the above will meet with your requirement, and we assure you that we are following the terms of your notification stated above.

Yours faithfully,
For Amalgamated Electricity Co. (Belgaum) Ltd.
Joint Commissioner Executive Assistant/Asst. Manager.

VR.

File 8778/27

MB 28/11

PUBLIC WORKS DEPARTMENT
File No. 3056/36
22. NOV. 1940
Serial No. 23716

MB.
22-11-40

3056/36
2376

(Mr B.) Submitted.

2. The Supply Company's letter (175) within may be shown me to the Solicitors to seek for remarks with respect to his memo. (167) LRM-12/2487 of the 22-10-40.

D.S
26/11/40

Mr. 26/11

Sd/ 26/11

Sd/ 26/11

Sd/ 27/11/40

x with files 8778/27 & 6999/27 III

x U.O. to Sol. Engr. & Govt. dt 27-11-40

2 NOV 1940

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 4294
4 DEC 1940
File No:
P. W. D., BOMBAY

Below U.O.R.No.3056/36/23716 dated the 27th November 1940, from Government in the Public Works Department.

No. LRM.12/ 33 of 1940

Bombay, 4th December 1940.

Returned, with compliments.

2. The rate for motors over 3 K.W. referred to by the Supply Company relates to the unrestricted supply, whereas the Government letter on page 171 ante refers to rates for restricted supply. As the rates for the restricted supply sanctioned in Government letter No.6999/27-M dated the 25th September 1934 are still in force, the Company may be asked to comply with the request contained in Government letter on page 171 ante.

3. It would appear that the method of charge for restricted supply, approved in Government, Public Works Department, letter No.6999/27-M, dated the 25th September 1934, should have been included in the Notification No.8778/27, dated the 27th May 1936, referred to by the Company in their letter dated the 21st November 1940 (page 175).

Electrical Engineer to Govt.

P.

File 6999/27 III
& 8778/27. I
and 1 Report

MB 5/12

PUBLIC WORKS DEPARTMENT
File No. 3056/36
4- DEC. 1940
Serial No. 24462

4 + 2 Vol

(M.B.) Submitted with refce. to Govt. u.o.r. dated the 27-11-40. p177

2. Draft reply to the Coy. on the lines of para.2 of the El.Engr's memo. dated the 4-12-40 is put up for approval. p179

3. As regards the point raised in para.3 of the El.Engr's memo. refd. to above, it may be stated that Govt. approved the method and the rates of supply for motive power purpose during restricted hours as proposed by the Coy. under section 23(3)(c) of the I.E. Act in G.L.No.6999/27-M, dated the 25-9-34 as provided in clause 10 of the Belgaum El. License. These rates were not ~~indicated~~ included by the Coy. in the amendment sanctioned in G.N.No.8778/27, dated the 29-5-36. The Advisory Board will shortly be examining the whole question regarding the rates of the Coy. No further action therefore seems to be necessary.

7/12/40

9/12

a. Licence book p. 257
X Sch. B
Govt. 6999/27 Pt III
1.71
Pmtg

@ Copy of the Commencement Notice 6999/27 Pt III Postage

H Sch. P
Govt. 8778/27 Pt I
Pmtg

GR
7/12

No.3056/36-M.

P.W.D.,B.C., 9th Decr.1940.

To

The Amalgamated Electricity Coy.,
(Belgaum) Ltd., (Belgaum Branch),
17-B, Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum Electric License.
Charges for the supply of
electrical energy.

Dear Sirs,

With refce.to your letter No. 175 A M A L/B E L/, dated the 21st Novr. 1940, I am directed to state that the rate for motors over 3 K.W. refd.to by you relates to the unrestricted supply, whereas refce.to rates in G.L.No.3056/36-M, dated the 12-11-40, is for restricted supply. As the rates for the restricted supply sanctioned in G.L. No.6999/27-M, dated the 25-9-34, are still in force, you are requested to comply with the request made in G.L. No.3056/36-M, dated the 12-11-40.

Yours faithfully,

Copy forwarded to the El.Engr.to Govt.with ref.to his memo.No.LRM.12/3033, dated the 4-12-40.

D.A.- Nil.

GR
7/12

ISSUED
10. DEC. 1940

From,

D.V. Belvi, Esq.
B.A.LL.B.
Advocate,
President,

The Electricity & Motive Power Consumers' Association, Belgaum.

To,

The Deputy Secretary,

to the Government of Bombay,

Public Works Department, Bombay.

Sir,

P 173

With reference to your letter No.3056/36 M of 12th Nov. 1940 I have to respectfully remind you that I have not received the information as yet promised by you in the said letter. I should like to know as soon as possible if the report of the Advisory Board appointed by Government to inquire into the present rates at which electric energy is charged, has been received by Government, and if so , if Government have considered the said report and arrived at their conclusions therefrom.

I solicit the favour of an early reply as the public of Belgaum is awaiting the conclusions of Government with much anxiety.

Belgaum.
2nd Feb.1941.

I beg to remain,
Sir,
Your most obedient servant,

D.V. Belvi

President,
The Electricity & Motive Power Consumers' Association, Belgaum.

(Sd.) Illegible.

2. The El. Mgr. & Govt. may be requested to state how the question of the revision of maximum rates, Belgaum Electric License, now stands.

DS

7/2/41

7/2

U.O. to El. Engr. to Govt. District

11 FEB 1941

ELECTRICAL ENGINEER TO GOVERNMENT Inwd. No. 5291 11 FEB 1941 File No. APW12 P. W. D., BOMBAY

PUBLIC WORKS FD. 3056/36 - FEB. 1941 2503

4/2

4-2-41

Below U.O.R.No.3056/36/2503 dated the 10th February 1941, from Government in the Public Works Department.

No. Genl 2/3650 of 1941.

Bombay, 11th February 1941.

Returned, with compliments.

2. It is expected that the maxima rates fixed in the Belgaum Electric License will be inquired into by the Advisory Board during the next three months, and the report of the Advisory Board will be submitted to Government thereafter. In the meantime, the Company's attention may be invited to Government letter on page 183 and they may be asked to expedite their reply.

Electrical Engineer to Govt.

(Mr. B.) Submitted with reference to
P 186 1
Govt. memo. of the 10. 2. 41 and
with the necessary drafts
for approval.

14/2/41

with 1 Report

PUBLIC WORKS DEPARTMENT
File No. 3056/36
12. FEB. 1941
Serial No. 3088

MB. 13/2

12-2-41

No.3056/36-M.

P.W.D.,B.C., 17th Feby.1941.

To

D.V.Belvi,Esqr.,B.A.,LL.B., Advocate,
President, Electricity & Motive
Power Consumers' Assocn.,
Belgaum.

Subject:- Belgaum El.License.
Charges for supply of electrical
energy.

Dear Sir,

With ref.to your letter dated 6185
the 2-2-1941, I am directed to state that
the recommendation of the Advisory Board
on the question of alteration of the
maxima charges provided in the license
are still awaited.

D.A.- Nil.

DS 14/2/41

Yours faithfully,

Copy forwarded to the El.Engr.to
Govt.with ref.to his memo.No.L.R.M.12/ 1187
3650, dated the 11th Feby.1941.

ISSUED
18 FEB. 1941

DS 14/2/41

15/2

No.3056/36-M.

P.W.D.,B.C., 17th Feby.1941.

To

The Amalgamated Electricity Coy.,
(Belgaum) Ltd., (Belgaum Branch),
17-B, Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum El.License.
Charges for the supply of
electrical energy.

Dear Sirs,

I am directed to invite refce. to G.L.No.3056/36-M, dated the 9th Decr. 1940, on the subject noted above and to request that your reply thereto may be expedited.

Yours faithfully,

Copy forwarded to the El.Engr.to Govt.with ref.to his memo.No.LRM.12/3650, dated the 11-2-41.

D.A.- Nil.

ISSUED
18. FEB. 1941

GR
14/2

THE AMALGAMATED ELECTRICITY CO., (BELGAUM) LTD.
(BELGAUM BRANCH).

TEL. ADD. "CONLECTRO"
TELEPHONE NO. 20704.

P. O. BOX NO. 879.
17B, ELPHINSTONE CIRCLE, FORT.

Ref. No. AMAL/BEL/G.3/41

BOMBAY 28th February 1941.

The Deputy Secretary to Government,
Public Works Department,
BOMBAY:

BELGAUM ELECTRIC LICENSE
CHARGES FOR SUPPLY OF ELECTRICAL ENERGY.

Dear Sir,

With reference to your letter No.3055/36-M dated 9th December 1940, we beg to state that the supply to motive power consumers has been under agreements and the charge -- levied uniform for the same type of consumers and less than the maxima sanctioned by the license.

In view of the above we would request you to cancel the tariff referred to in your letter, as the same is not made use of.

Yours faithfully,

BGP/

(Ch. 3.) Submitted.

2. The Supply Company's letter which may be shown n.p. & the S.E. Bldgs to Secy. for remarks with reference to his memo. No. LRM 12/3033 dy the 4-12-40.

DSV
8/3/41.

MB 6/3

E.O. to Ch. Engr. & Secy. Dy. Minister

DSV

MB 5/3

PUBLIC WORKS DEPARTMENT
File No. 3056/36
-3 MAR 1941
Serial No. 4400

ELECTRICAL ENGINEER
TO GOVERNMENT
Inwd. No. 6086
24 MAR 1941
File No. Genl 2
P. W.D., BOMBAY

MB
3-3-41

THE AMALGAMATED ELECTRICITY CO.(BELGAUM) LTD. BELGAUM BRANCH

Schedule of rates in force on 1st October,1940.

1. For Lights & Fans : As. 5/6 per unit.

2. For religious places, schools, Hospitals, Clubs & Gymkhanas etc. As. 5/- per unit upto 12 units & above As.4/9 per unit per month

3. Restricted Supply :- Flour Mills, Power Looms, Factories & Press Upto 3 K.W. Anna 1/- per unit plus standing charge of Rs. 2/- per month per BHP installed and above 3 K.W. .75 anna per unit plus standing charge of Rs. 2/- per BHP installed.

4. Restricted supply for Domestic House service Pumps: As. 2/- per unit allowing 10 units free per month per BHP installed plus -- standing charge of Rs. 2/- per month per BHP installed.

5. Unrestricted supply for Cinemas & Theatres: Anna 1/- per unit plus standing charge of Rs. 3/- per month per K.W. installed.

6. Restricted supply for Agricultural Pump installations: Anna 1/- per unit plus standing charge of Rs. 2/- per month per BHP installed. The annaul minimum charge Rs.24/- per BHP. No bills to be drawn during the disconnected period. For prompt payment on or before 21st of the month a rebate of quarter of an anna per unit is allowed.

7. Unrestricted supply :- Upto 3 K.W. As. 2/- per unit plus standing charge of Rs. 2/- per month per BHP installed & above 3 K.W. As. 1/6 per unit plus standing charge of Rs. 2/- per month per - BHP installed.

8. Refrigerators & Heating circuits :- As. 2/- per unit upto 30 units per month and above 30 units consumed in the month - As. 1/6 per unit.

9. Amplifiers & Battery Charging :- As. 3/- per unit upto 50 units per month and above 50 units consumed in the month, As.2/- per - unit.

10. Medical Appliances :- As. 3/- per unit.

11. Flat Rate :- Re. 1/- and As. 2/- sur-tax for 20 wattage lamps.

12. Meter Rent :- Rs. 0-4-0 for Single Phase per month.
" 0-8-0 for Poly Phase per month.

N. B:-

From 1st February, 1940:

(1) Item No. 3 : All the units hitherto charged at .75 anna per unit will be charged at 0/1/- per unit.

(2) Item No. 6 : In case of Agricultural Pumps, the rebate of 3 pies per unit will be discontinued.

VR.

Below U.O.R. NO.3056/36/4400 dated the 11th March 1941 from Government in the Public Works Department.

No. LRM.12/4170 of 1941.
Bombay, 24th March 1941.

Returned with compliments.

2. The Supply Company's letter/5191 is vague and apparently intended to misrepresent the facts. The latest schedule of rates, in force, submitted by the Company is enclosed. It prescribes inter alia rates for restricted supply and it is not understood how the statement in para 2 of the Company's letter/5191 can be borne out. The request of the Company to cancel the tariff sanctioned for the restricted supply in Government letter No.6999/27-M dated 25-9-1934 may not be entertained as by such cancellation the Company will be automatically entitled to charge rates subject to the maxima sanctioned in the license for the unrestricted supply; the Company may, therefore, be asked to comply with the request in Government letter at page 183 ante.

Hrk 6999/27 Pt III

Electrical Engineer to Govt.

(Mr. B.) Submitted with respects
Secl. 192
Secl. M.O.R. of the 11. 3. 41.

2. In view of the Hl. Negis
Secl. 195
Remarks, the accompanying
letter I shall may issue,
if approved.

DRS
1/4/41

1/4

1/4

Re file 6999/39
DH Jones

1 Return
PUBLIC WORKS DEPARTMENT
FILE NO. 3056/36
24 MAR 1941
5857

MB 25/3
& Ret
25/3

25/3

No.3056/36-M.

P.W.D.,B.C., 2nd April 1941.

To

The Amalgamated Electricity Co.,
(Belgaum) Ltd., (Belgaum Branch),
17-B, Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum El.License.
Charges for the supply of electrical energy.

Dear Sirs,

With ref.to your letter No.AMAL/BEL/G.3/41, dated the 28th Feby.1941, I am directed to state that your request for cancellation of the tariff sanctioned in G.L.No.6999/27-M, dated the 25-9-34, for the supply of energy for motive power purposes during restricted hours cannot be entertained. You should accordingly comply with the request made in G.L.No.3056/36-M, dated the 9th Decr.1940.

Yours faithfully,

D.A.- Nil.

Copy forwarded to the El.Engr.to Govt. for information with ref.to his memo.No.L.R.M.12/4170, dated the 24-3-41.

ISSUED
3- APR 1941

GR
1/iv

3056/36

(HB. 199-200 destroyed)
Reminder d/15/9/41

No 3056/36-M.

P. W. D.

B.C. 14 July 1941.

To

The Amalgamated
Electricity Company, Belgaum,
(Belgaum Branch) Ltd.
17-B. Elphinstone circle,
Fort, Bombay.

Dear Sirs,

Subject: Belgaum El.
License: Charges for
the supply of el. energy.

I am directed to invite attention to the correspondence ending with G.L. No 3056/36-M dt the 2nd April 1941 on the subject noted above & to request that the action taken by you on G.L. No 3056/36-M dt the 12-11-40 may be reported to Govt as early as possible.

Yours faithfully,

12/7/41.

SRS.
9/7/41

ISSUED
15. JUL. 941

D. G. rel.

No 1187 of 1941-42
Municipal Office Belgaum.
Dated 23rd September 1941

From,

M.M. Lad. Esqr,B.A.LL.B.,
President,Belgaum Borough Municipality.

To,

The Deputy Secretary,
to the Government of Bombay,
Public Works Department,Secretariat,
Bombay

Subject:- Belgaum Electric license-charges for the supply of electric energy.

Sir,

I have the honour to invite your attention to the correspondence resting with your No.3056/36 M dated 6th October 1939 and to state that no orders regarding the alterations to be made in the maxima rates for the supply of electric energy fixed by the Belgaum Electric License,1932,have so far been issued by Government.

I may recall here for favour of your information the fact that in the course of reply to the Address presented by this Borough to His Excellency, Sir Roger Lumley on 17-1- 1938 , His Excellency was pleased to give an assurance that the question of the reduction in the present rates by the Belgaum Electricity Company would be seriously considered before the renewal of the Company's license which expired in May 1939.

The question of reducing the rate of supply of electric energy for street lighting purposes was for the first time mooted by the Municipality in the month of July 1938 and the Company was accordingly addressed to in the matter. Although the Municipal -

Agreement for street lighting was to expire in the month of October 1939,the Municipality took up the question early in the month of July 1938 evidently with the object to give sufficient time to the Company to come to a reasonable understanding with the Municipality before the expiry of the Agreement. The Company,however,informed the Municipality that it was premature to take up the consideration of the matter and suggested that its consideration should be postponed to a later period. The Municipality informed the Company in reply to the above suggestion that it was not premature to take up the consideration of the question of the renewal of the agreement as in case the parties did not come to an amicable settlement regarding the rates of supply,the Municipality must have sufficient time at its disposal to make its own arrangements for street lighting.

The Company did not take any action on this reply of the Municipality even though many reminders were sent to it. Due to the delaying tactics adopted by the Company,the Municipality by a resolution passed on 31-3-1939,requested the Government of Bombay to seriously consider the question of the reduction of the rate of supply. This resolution was communicated to the Electric Company also for its information.

You were good enough to inform the Municipality under your No.3056/36 M dated 29th April 1939,that as the Electric Supply Company at Belgaum was not agreeable to reduce its rates of supply in accordance with the recommendations of the Electricity Advisory Committee,it was proposed to refer the matter in due course to an Advisory Board under Clause XI of the Schedule to the Indian Electricity Act,1910.

The Electric Company in the meanwhile

postponed the question of renewing the agreement on one pretext or the other and finally by its letter dated 1st November 1939, sprang a surprise on the Municipality by informing that no reduction in the rates of supply was possible in view of the fact that "consequent upon the outbreak of war, prices of materials essential for its business had risen by over 50 p.c. in general and 200 p.c. in some cases". Subsequently, it unofficially informed the Municipality that the rate of supply for street lighting would be reduced from annas four per unit to three annas and nine pies per unit but that a surcharge of 0.25 of an anna per unit shall be charged by the Company. It further demanded an increase of 3 p.c. on account of line-loss. The terms offered by the Company virtually amounted to an increase over the rates provided in the old agreement.

The Electric Company thus succeeded in placing the Municipality in an awkward position. The period of the Municipal agreement for street lighting expired as stated above in the month of October 1939. The Municipality, in the expectation that the question of the reduction in the rates of supply would be disposed of by Government at an early date, did not think it advisable to come to a breaking point with the Company. The result has been that the Electric Company has for all practical purposes ceased to be a public utility concern and has virtually been dictating its terms of supply to the Municipality.

Its contention that no reduction in the rates of supply is possible because of the increase in the rates of materials essential for its business, is absolutely groundless. It is true that there has been some increase in the price of crude oil but the Company cannot justifiably, under this cover, turn down the suggestion of the Municipality to reduce the rates of

supply. It need not be stated here that the Company has carried out its installation of electric lines and machinery long before the war broke out and it is not required to invest anything in these works. It is of great significance to note here that the level of the Company's earnings has not gone down because of the alleged increase in the prices of materials due to war. It is also clear that the present installation will continue to be of use to the Company for many years to come. The attitude which the Company has at present adopted is to be traced to its intention to take undue advantage of the time which Government have taken up in the disposal of this matter.

I, therefore, request you to kindly look into the matter and expedite the disposal of this question by the Advisory Board, at an early date.

I have the honour to be

sir,

Your most obedient servant,

President,

Belgaum Borough Municipality.

CSJ.

Receipt acknowledged

27/9/41

24/9/41.

ISSUED
Ack.
30. SEP. 1941

(ex B) Limited.

2. The President, Belgaum Borough hunny. requests that the disposal of the question of alterations of the maximum Charges provided in the Belgaum El. License may be expedited. The El. Engr to Govt. may be requested to state how this question now stands.

ELECTRICAL ENGINEER
TO GOVERNMENT
Inwd. No. 3153
30 OCT 1941
File No.
P. W. D., BOMBAY

on. B 26/9

PUBLIC WORKS DEPT.
Inwd. 3056/36
25. SEP. 1941
18508

1/10/41

1/10/41

E. E. to Govt. Engr. to Govt

2/10/41

25/9/41

Below U.O.R.No.3056/36/18508 dated the 2nd October 1941, from Government in the Public Works Department.

No. 2017 of 1941.

Bombay, 3rd October 1941.

Returned, with compliments.

2. The question of reduction of the maxima rates for electric supply at Belgaum is now under consideration by the Advisory Board.

3. The matter of charges for street lighting is entirely between the Supply Company and the Municipality, as laid down in Clause XII of the Schedule to the Indian Electricity Act, 1910.

Electrical Engineer to Govt.

P.

(Mr S) Submitted with reference to Govt. letter No. D 208 dated the 2-10-41 and with the necessary draft for approval.

× Comment

STS
7/10/41

8/10

The Pres. should be informed that the orders of the Belgian G.C. apply to the Advisory Board.

The question of liberal legislation based on the family, the Govt. of Belgium under Clause XII of the Schedule of the I.E.A. 1910 should come within the jurisdiction of the Advisory Board.

8/10

(Mr S) Resubmitted with the necessary draft for sgd.

STS
7/10/41

9/10

M.13 4/10

PUBLIC WORKS DEPARTMENT
File No. 3056/36
-3. OCT. 1941
Serial No. 1912

3/10/41

3056/36

No. 3056/36-M

P.W.D.

Bc 16th Oct. 1941.

To

M. M. Lad Esqr. B.A. L.L.B.

President, Belgaum

Borough municipality

Belgaum.

Dear Sir,

Subject: Belgaum El.

License: Charges for the

Supply of el. energy.

—

With reference to your letter No. 1187 dy the 24th Septr. 1941, I am directed to state that the workings of the Belgaum El. Supply Company are at present being considered by the Advisory Board.

The question of street lighting is however one for mutual settlement between the mncy. & the Coy as laid down in Clause XI schedule to the of the I.E. Act, 1910 & does no

3.52/36.

not come within the purview

of the Advisory Board.

DS
8/10/41

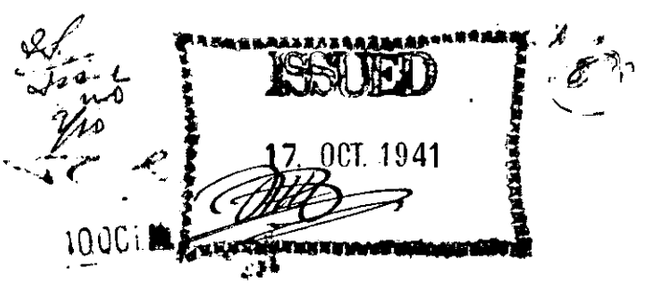
Yours truly,

DS ✓

Erledigt o.Z. Bl. wird

9/10

✓ U. d. H. Bl. Eing. Hofjourn. Nichtzu->



Below U.O.R. No.3056/36 dated the 10th October 1941, from Government in the Public Works Department, Bombay.

No. EPM12/ 2128 of 1941.

Bombay, 11th October 1941.

Seen and returned with compliments.

Electrical Engineer to Govt.

DBS

[illegible] Limited with reference
to Govt memo. dtd 10.10.41.

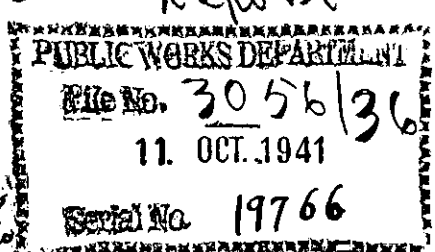
2. Draft of Latter dtd 13.10.41 may
now issue.

14/10/41

14/10/41.

MB 13/10/41.

HS Report



Dfsn (Black)
22/10/41

11-10-41

THE AMALGAMATED ELECTRICITY CO., (BELGAUM) LTD.
(BELGAUM BRANCH).

TEL. ADD. "CONLECTRO"
TELEPHONE NO. 20704.

P. O. BOX NO. 879,
17B, ELPHINSTONE CIRCLE, FORT.

Ref. No. AMAL/BEL/

BOMBAY 15th October 1941

The Assistant Secretary to the
Government of Bombay,
Public Works Department,
BOMBAY.

Dear Sir:

RE: BELGAUM ELECTRIC LICENSE: CHARGES FOR THE SUPPLY OF ELECTRICAL ENERGY:

With reference to your letter No.3056/36-M of the 14th July 1941 in connection with the above, we would observe as under:-

You may be aware that the revised Conditions of Supply sanctioned by Government do not include any rate tariff. We always ensure that our rates do not exceed the maximum charges mentioned in the license. Accordingly we find that we are correct in charging the rates according to our tariff.

Further owing to the tremendous rise in the cost of fuel and other materials required for the satisfactory maintenance of the Power Station due to War, the rate in question would require change often which is also not convenient. The rate in question would not even affect 10% of the consumers.

In view of the above facts, we hope, Government would be pleased to cancel the tariff in question.

Yours faithfully,
The Amalgamated Electricity Co., (Belgaum) Ltd.
For Consolidated Electric Agencies (I) Ltd., Managing Agents,

NCJ/TSR.

Managing Director.

Receipt acknowledged.

Issued ack.

31/x/41

3/11/41

3/11/41

A.J.

9.

MOB17/10

PUBLIC WORKS

File No. 3056/36

Serial 20169

1-11-41

From

D. V. Belvi, Esquire., B.A.,LL.B., M.L.C., Advocate,
President, The Electricity & Motive Power
Consumers' Association, Belgaum,
BELGAUM.

To

The Deputy Secretary to the Government of Bombay,
Public Works Department,
B O M B A Y.

Dear sir,

J 173

By your letter No. 3056/36-M dated 12th November 1940, I was informed of the appointment of an Advisory Board in the matter of the alterations in the rates charged to the -- consumers by the Amalgamated Electricity Co. Ltd., Belgaum, and by your letter No. 3056/36-M of 17th February 1941 that Government were awaiting the report and the recommendations of the Advisory Board, but till now i.e. nearly 9 months -- later, I have not been informed as to what the recommendations of the Advisory Board are or whether the Advisory Board have made any recommendations at all. The Board was appointed -- about 2 years ago and it is strange that it has not been able to submit the report within such a long period of time.

2. In these hard days of scarcity and general depress-ion, consumers find it hard to pay the high electricity -- charges. It is, therefore, necessary to arouse the Advisory Board from their slumber and to ask them to send in their -- report to Government as early as possible.

3. In view of these conditions and in view of the fact that the said Company have reaped and have been reaping -- enormous profits during the short time of their existence, it is humbly requested that Government will be pleased to --

revise

revise the rates of the Belgaum Electricity Company on the lines indicated in previous letters of the said Association.

I beg to remain

Sir,

Your most obedient servant,

D. V. Belvi

President, The Electricity & Motive Power Consumers' Association, Belgaum.

BELGAUM.

6th Nov. 1941.

Receipt acknowledged

10/11/41

10/11/41.

x Issued Ack

12-11-41

→ 13/11/41

MB 8/11.

PUBLIC WORKS DEPARTMENT
File No. 3056/36
- 7. NOV. 1941
Serial No. 21704

MB

7-11-41

(M.B.) Submitted together with S.No. 20169.

2. S.No.20169.- The Supply Coy. do(not seem to have understood the correct legal position. Under clause XI of the Schedule to the I.E.Act,1910, the prices charged by the licensee for energy supplied by him shall not exceed the maxima fixed by his license or in the case of a method of charge approved by the Provl.Govt. such maxima as the Provl.Govt.shall fix on approving the method. A method of charge has been approved in G.L.No.6999/27-M,dated the 25-9-1934. It is not therefore enough for the licensee that the prices charged should be within the scale laid down in the license, but in the case of a method of charge approved by Govt. they should be within the maxima rates sanctioned by Govt. in the case of such a method. The Supply Coy.may be informed accordingly and they should be requested to comply with the request made in G.L. No.3056/36-M, dated the 12-11-41. The El.Engr.to Govt.may see u.o. before the necy.draft is put up.

3. S.No.21704.- The El.Engr.to Govt. may be requested u.o. to state how the question of the revision of maxima rates, Belgaum El.License now stands.

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 4161
24 NOV 1941
File No. LA-12
P. W. D., BOMBAY

22 NOV 1941

GR
20/xi

DS
20/11/41

El. E. to El. Engr. to Govt.

Below U.O.R. No.3056/36 dated the 21st November 1941 from Government in the Public Works Department, Bombay.

No.L.A.12/ 2743 of 1941.

Bombay 24th November 1941.

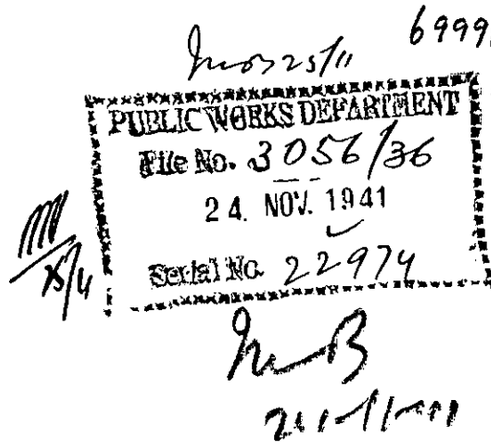
Returned with compliments.

2. The undersigned agrees with para 2 of the Secretariat office note on page 221. The prices charged by the licensee for energy supplied by him must not exceed the maxima fixed by his license, or in the case of a method of charge, approved by Government such maxima as Government shall fix on approving the method.

3. As regards the question of the revision of maxima rates, it is stated that a copy of the accounts was received from the Company in this office only on the 6th instant. The audited accounts are yet awaited from the Accountant General, Bombay. As soon as the audited accounts are received in this office, they will be placed before the Advisory Board for consideration; and a representative of the Electricity and Motive Power Consumers' Association, Belgaum, will be invited to attend the Board as a witness.

Electrical Engineer to Govt.

DVS.


PUBLIC WORKS DEPARTMENT
File No. 3056/36
24. NOV. 1941
Serial No. 22974

No 1510 of 1941-42

Municipal Office Belgaum.

Dated 18th November 1941

From,

M.M. Lad. Esqr,B.A.LL.B.,

President,Belgaum Borough Municipality.

To,

The Deputy Secretary to the Government,

of Bombay,Public Works Department,

Bombay

Subject:- Belgaum Electric license.
Charges for the supply of electric energy.

Sir,

With reference to your letter No.3056/36-M dated 16th October 1941, I have the honour to state that though the question of street lighting is one for mutual settlement between the Municipality and the Electric Company,it is to a great extent dependent upon the rates which the Company charges for the supply of electric energy to the public. If the charges which the Company has at present levied for the general supply are reduced,there is sure to be effected a corresponding proportionate reduction in the rates for the Municipal street lighting. It was with this object in view that the General Board of the Municipality resolved by its resolution No. 330 dated 31-3-1939 to request the Government of Bombay to take up for early consideration the question of revising the maxima rate of supply charged by the Company.

A copy of the above resolution was submitted to you under this Office No. 14 dated 5th April 1939.

It will thus be seen that that the question of street lighting agreement is necessarily dependent upon the disposal of the question of the revision of rates of supply to the public.

I may also note here that a Municipality being the premier civic institution established to provide for and secure civic amenities to the residents is not less interested in the question of securing at reasonable rates an amenity like electricity.

I am constrained to say that though the - question of reducing the rates of street lighting - through the intervention of Government was mooted by the Municipality as long ago as 5th April 1939, the Municipality is now given to understand that the - question of street lighting is one for mutual - settlement between the Municipality and the Company. The delay made in this connection has obviously - defeated the purpose the Municipality had in view.

I,however,request you to kindly see to the disposal of the question by the Advisory Board,at an early date.

I have the honour to be

Sir,

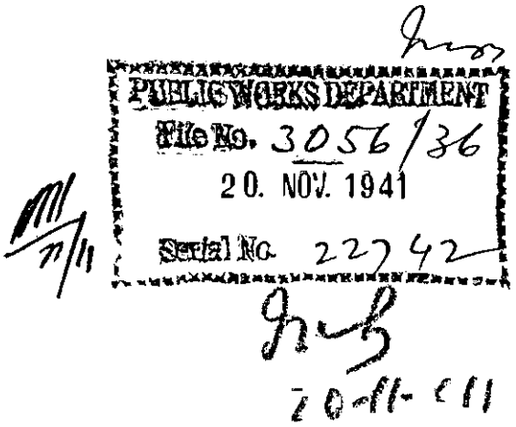
Your most obedient servant,

President,

Belgaum Borough Municipality.

CSJ
18-11

Note 15
JS 11/11/41
Hbr



21/11
20-11-41

(M.B.) Submitted with ref.to Govt. u.o.r. dated the 21-11-41.

2. Draft reply to the Supply Co. is put up.

3. The President, the Elecy.& Motive Power Consumers' Association and the President, Belgaum Borough Muny., request that the disposal of the question of reduction in the maxima rates of the Supply Coy.by the Advisory Board may be expedited. In this connection please see para.3 of the El.Engr's memo. dated the 24-11-41. The accompanying draft may issue. It is perhaps not necy.for this office to inform the President, the Electricity and Motive Power Consumers Assocn. that the representative of his Assocn. will be invited to attend the Board as a witness.

27/11/41

El. Engr. to see before submission

27/11

GR
28/x

No.3056/36-M.

P.W.D.,B.C., 6th ~~Novr.~~ Decr. 1941.

To

The Amalgamated Elecy.Coy.,
(Belgaum) Ltd., (Belgaum Branch),
17-B, Elphinstone Circle,
Fort, Bombay.

Subject:- Belgaum El.License.
Charges for the supply
of electrical energy.

Dear Sirs,

With ref.to your letter No. AMAL/Bel., dated the 15th Octr.1941, I am directed to state that under clause XI of the Schedule to the I.E. Act, 1910, the prices charged by the licensee for energy supplied by him must not exceed the maxima fixed by his license or in the case of method of charge approved by Govt.such maxima as Govt.shall fix on approving the method. A certain method of charge has been approved in the case of your license in G.L.No.6999/27-M,dated the 25-9-1934. ~~It is not therefore enough for you Coys. that the prices charged should be within the scale laid down in the license but that in the case of the method of charge approved by Govt., they should further be within the maxima rates sanctioned by Govt. in the case of that particular method. You are therefore requested to comply with the request made in G.L.No.3056/36-M, dated the 12-11-40.~~

2. As already stated in G.L.No. 3056/36-M, dated the 2-4-41, your

request ....

3056/36.

request for the cancellation of the tariff sanctioned in G.L. No.6999/27-M, dated the 25-9-34, cannot be entertained.

Yours faithfully,

GR
27/xi

3056/36.

(Separately to each).

No.3056/36-M.

P.W.D.,B.C., 6th ~~Novr~~ Decr.1941.

To

(1) D.V.Belvi,Esq.,B.A.,LL.B.,
Advocate,
President, The Elecy.&
Motive Power Consumers'
Association,Belgaum.

(2) M.M.Lad, Esq.,B.A., LL.B.,
President, Belgaum Borough
Muny., Belgaum.

Subject:- Belgaum El.License.
Charges for the supply of
electrical energy.

Dear Sir,

With ref.to your letter No. Nil dated the 6-11-41, I am directed to state that the request made therein that the disposal by the Advisory Board of the question of reducing the maxima rates fixed in the Belgaum El.License should be expedited has been noted.

Yours faithfully,

D.A.- Nil.

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 4308
1 DEC 1941
File No.
P. W. D., BOMBAY

GR
27/xi

Below U.O.R.No.3056/36, dated the 28th November 1941, from Government in the Public Works Department.

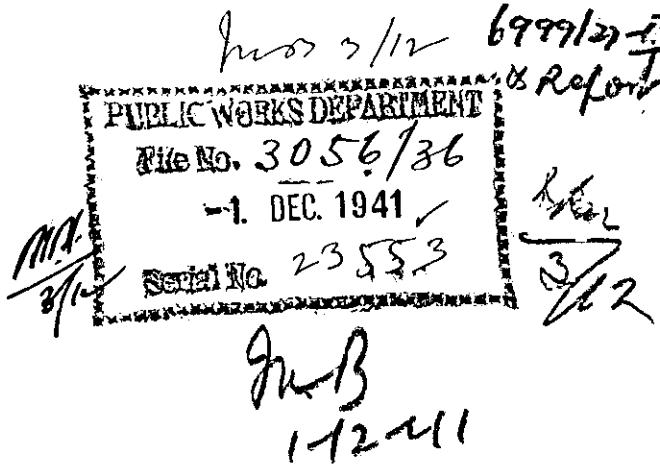
No. EEM12/2843 of 1941.
Bombay, 1st December 1941.

Returned, with compliments.

2. It is suggested that the President of the Electricity Motive Power Consumers' Association, Belgaum, may be informed that the representatives of his Association will be requested to appear before the Electricity Advisory Board to give evidence.

Electrical Engineer to Govt.

P.


PUBLIC WORKS DEPARTMENT
File No. 3056/36
1. DEC. 1941
Serial No. 23553

3056/36
23553

(M.B.) Submitted with refce.to Govt. pp 229-233 u.o.r. dated the 28-11-41.

2. In view of the El.Engr's memo., p235 dated the 1-12-41, the following addition may be made to the draft reply at p.233 ante to the President, The Elecy.& Motive Power Consumers' Assocn., Belgaum, which may then issue, a copy being endorsed to the El.Engr.to Govt.-

A "2. I am also to inform you that the representatives of your Assocn. will be requested to appear before the Electricity Advisory Board to give evidence."

3. Draft at p 231 ante may also issue

DS
4/12/41

GR
4/12

No. 3056/36. M.
Public Works Department.
Bombay Castle, 6th December 1941.

From

The Deputy Secretary to the Government of Bombay,
Public Works Department.

To

The Amalgamated Electricity Company,(Belgaum) Ltd.,
(Belgaum Branch),
17-B,Elphinstone Circle,
Fort, Bombay.

Subject:-Belgaum Electric License.
Charges for the supply of electr cal energy.

Dear Sirs,

With reference to your letter No.AEAL/Bel., dated the 15th October 1941,I am directed to state that under clause XI of the Schedule to the Indian Electricity Act, 1910,the prices charged by the licensee for ene gy supplied by him must not exceed the maxima fixed by his license or in the case of method of charge approved by Government such maxima as Government shall fix on approving the method. A certain method of charge has been approved in the case of your license in Government letter No.6999/27-M,dated the 25th September 1934. The question of maximum rates is at present under investigation by the Advisory Board,who will duly consider your request, meanwhile you should comf rm to the instructions issued in Government letter No.3056/36-M,dated the 12th November 1940.

2. As already stated in Government letter No.3056/36-M, dated the 2nd April 1941,your request for the cancellation of the tariff sanctioned in Government letter No.6999/27-M, dated the 25th September 1934,cannot be entertained,

Yours faithfully,

O.C.

Deputy Secretary to the Government of Bombay,Public Works Department.

ISSUED
9 DEC. 1941

Encl...-Nil.

BKR
8/12

No. 3056/36-1 M.
Public Works Department.
Bombay Castle, 6t. December 1941.

From

The Deputy Secretary to the Government of Bomba,,
Public Works Department.

To

(1) D.V.Belvi,Esquire,B.A.,LL.B.,
Advocate,President,The Electricity and Motive Power Conumers' Association,Belgaum.

(2) M.M.Lad,Esqire,B.A.,LL.B.,
President,Belgaum Borough Municipality, Belgaum.

Subject:-Belgaum Electric License,
Charges for the supply of electrical energy.

Dear Sir,

With reference to your letter No. Nil/1510 dated the 6th/19th November 1941,I am directed to state that the request made therein that the disposal by the Advisory Board of the question of reducing the maxima rates fixed in the Belgaum Electric License should be expedited has been noted.

*This para. is in the case of (1) only.

*2. I am also to inform you that the representatives of your Association will be requested to appear before the Electricity Advisory Board to give evidence.

Yours faithfully,

O.C.

Deputy Secretary to the Government of Bombay,Public Works Department.

D.A.-Nil.

Copy forwarded to the Electrical Engineer to Government with reference to his memorandum No.L.R.M.12/2843, dated the 1st December 1941.

BKR
8/12

ISSUED
9 DEC. 1941

No. 3052/36.M P.W.D. Bc Nov 1941

13

To

The Amalgamated Electricity
Company (Belgaum) Ltd.
(Belgaum Branch)

Subject:- Belgaum El. License.
Charges for the
supply of el.
energy.

Dear Sirs,

I am directed to refer to the correspondence ending with your letter No. 3052/36.M dt the 6-12-41 and to request you please to state what action has been taken on this No. 3052/36.M dt the 12th Nov. 1940.

Yours faithfully,

Executive Engineer

Belgaum
6/12/41

Received
8 DEC 1941

THE AMALGAMATED ELECTRICITY CO., (BELGAUM) LTD.

(BELGAUM BRANCH.)

TELE. ADD. "CONELECTRO"
TELEPHONE NOS. { 20704. 33622.

P. O. BOX No. 879,
178, ELPHINSTONE CIRCLE,

Ref. No. AMAL/BEL/C-2/42

BOMBAY. 23rd November, 1942

The Asst. Secretary to the Govt. of Bombay,
Public Works Department,
B O M B A Y.

Dear Sir,

Re: Belgaum Electric License :
Charges for Supply of Energy.

With reference to your letter No. 3056/36-M dated 13th instant, we have to state as follows:

At present there are no consumers under the tariff in question. We have already stated that almost all motive power consumers were under agreement and a rate has been uniformly charged to them.

Rate for energy for motors above 3 K.W. for 24 hours supply is anna one and pies six per unit, while as per your letter No. -- 6999/27 dated 25th September, 1934, a rate for 20 hours supply is 0.8 anna per unit i.e. nearly 50% less than that for 24 hours.

Considering a short duration of absence of supply, viz. four hours, a rate of 0.8 anna per unit in place of one anna and six pies per unit, appears to be a very low rate.

We would further state that when the said unit rate of anna 0.8 per unit was approved by Government, fuel oil was available -- at Rs. 47/- per ton F.O.R. Bombay. Since the commencement of the present calamitous war, fuel has been steadily rising in rate and at present it costs us Rs. 97/- per ton F.O.R. Bombay. There is

no knowing the extent to which it might further soar.

While ordinary traders should be allowed by Government to increase rates for essential food commodities by revising the -- maxima prices fixed from time to time during the period of war, it is unfortunate that the Government should not entertain our - request to cancel this particular item of tariff.

We should add that the Advisory Board may not sit for a few years more to investigate the question of maxima rates of Belgaum License.

We would, therefore, request you again to reconsider your decision and to cancel this item of tariff.

Yours faithfully,
The Amalgamated Electricity Co., (Belgaum) Ltd.
For Consolidated Electric Agencies Ltd., Managing Agents.

Managing Director.

VR.

(h.z) Submitted.

2. The supply company has already been informed in S.L. No 3056/36-M/P 1971-239 of the 2-4-41 & 6-12-41 that its request for the cancellation of tariff sanctioned in S.L. No. X X Tariff 6999/27 Pt III P 21. Part w/. 6999/27-M of the 25-9-34 could not be entertained & that it must conform to the instructions issued in S.L. No. 3056/36-M/P 171 of the 12-11-40. The Company is making one more effort to get the tariff cancelled & also delaying action on S.L. No 3056/36-M/P 171 of the 12-11-40. ~~Perhaps~~ Perhaps the Company may be informed that unless it conforms to the instructions issued in

6 my pow

PUBL... MI
File No. 3056/36
24. NOV. 1942
Serial No. 27442

MB 24/11

MM 24/11

BR 24-11-42

P171

3056/36
37442

T.L. no 3052/Bom dy the 12-11-40,
action will be taken against
X
the tenderer under clause XI of the Schedule
read with Section 47 of the
Act. The Govt of Bombay
may see no.

3. As regards the last but one
para of the accompanying letter
it may be stated that Govt
has accepted the recommendations
of the Advisory Board & the
necessary orders will issue shortly

U.O. No. Elec. Engr. 9/1

d. 10-12-42

X mentioned Book
No 331 332

B c/c
No 304-305

ELECTRICAL ENGINEER
TO GOVERNMENT
Inwd. No. 6635
23 DEC 1942
File No. Genl 2
P. W. D., BOMBAY

D.O. No. 5594.

Recd.
2/12

DS

X with Ltr 6999/22 III 12/12

Below U.O.R.No.3056/36/27442
dated the 10th December 1942, from Government in the Public Works Department.

No. [illegible] 5963 of 1942.

Bombay, 23rd December 1942.

Returned, with compliments.

2. I agree to para.2 of the Secretariat office note, but suggest that, as the recommendations of the Advisory Board have already been accepted and orders are likely to be issued very shortly, the question of revising the present tariff need not be pursued any further. The Advisory Board has recommended a rate of 0.75 annas per unit in addition to a standing charge of Rs.2/- per K.W. in the case of motors over 3 K.W. and as this rate is lower than the rate sanctioned in Government, Public Works Department, letter No.6999/27-M, dated the 25th September 1934, the Company will have to revise its current rate so as to limit it to the above rate that would be sanctioned, and the matter will be automatically regularised.

Electrical Engineer to Govt.

P.

(the B.) submitted with reference to Govt. Sanction No. dated the 10-12-42.

2. In view of the Bengal Ministry, the matter need not now be pressed further. The necessary reply to the Supply Company will be proposed after Govt. Orders on the Advisory Board's Recommendations have issued. The papers on the subject are under move by the R.L.A.

DRS 24/12/42

MM 24/12

Report to file

MB 24/12

PUBLIC WORKS DEPARTMENT
File No. 3056/36
23. DEC. 1942
Serial No. 29592

Ltr. 22/12

⊗ File 5894/31/N/B

23-12-42.

Please file this

Belgaum, 26.11.1941,

President, Belgaum Municipality -- He had moved Government regarding reduction in their rates for electricity in January 1938 (addressed to the Governor) again 1939. Although nearly 2 years have elapsed, nothing definite has been done. At first, the Municipality was informed that an Advisory Board would be appointed. The last reply was given in No.3056/36 dated 16-10-1941, but nothing has been done so far as regards the reduction in the rates, although the period of the Company's licence has elapsed and the licence has been renewed.

The rate is As 4 for street lighting and 5½ As. for the general public. The company is getting higher profits and its contention that War has increased cost is not, it is said, true, as the machinery etc. was installed long before the War.

Will P.W.D. please say what action has been taken in the matter?

26/11

P. W. D.

28/11/41.

I do not think we have received this report as yet—

PUBLIC WORKS DEPARTMENT
File No. 3056/36
29. NOV. 1941
Serial No. 2340

29/11/41.

(M.B.) Submitted.

2. The Belgaum El.License was granted in the year 1932. According to clause 13 of the license, the option of purchase can first be exercised on the expiration of 40 years from the commencement of the license i.e. in 1972. The license has not been renewed as stated in the Adviser's note.

3. Under clause XI of the Schedule to the I.E.Act, Govt.can alter, after the expiration of 7 years from the commencement of the license, the maxima rates fixed in the license, on the recommendation of an Advisory Board. An Advisory Board has already been appointed. The Board has not however before them the supply Coy's accounts for the year ended the 31st March 1941. As soon as these accounts became available, the Advisory Board will take up the matter.

ELECTRICAL ENGINEER
TO GOVERNMENT
Inwd. No. 4423
5 DEC 1941
File No. L.A.12
P. W. D., BOMBAY

4. The agreement for street lighting is a matter to be settled mutually between the Muny. and the Supply Coy. subject to the conditions that the rates must not exceed the maxima fixed in the license - vide clause 10(6) of th Belgaum El.License.

5. The El.Engr. to Govt. may see u.o. before the papers are ~~returned~~ submitted to the A.C.R.)

GR
2/12

3/12/41

3/12

D S

Secy

U.O. to El. Engr. to Govt. dt 5-12-41

Below U.O.R.No.3056/36 dated the 5th December 1941,

from Government in the Public Works Department.

======

No.LA12/ 2927 of 1941.

Bombay, 6th December 1941.

X file 3056/36
b 223
Partly
⊗ do
b 224

Returned, with compliments.

2. Reference is invited to this office No.L.A.12/2743 (para 3) dated the 24th November 1941, returning Government U.O.R.No. 3056/36 dated the 21st November 1941.

3. The Examiner, Outside Audit, Bombay, has stated that the audited accounts of the Belgaum Electricity Co.,Ltd. will be ready by the 10th of this month, and the question of the maxima rates will be taken up by the Advisory Board at their next meeting.

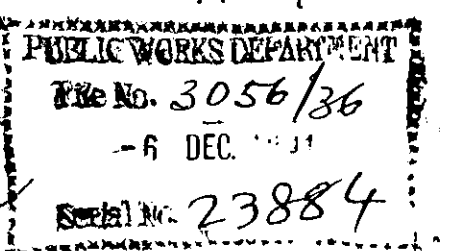
Electrical Engineer to Govt.

P.

9.5 2nd

9-12

MB 6/12



MB
6-12-11

3056/36

23884

(Hq.B.) Submitted with respect to Group b3 m.o.r. of the 8-12-41.

2. The papers may now be submitted for the information of A(R) as already approved. b3

DS
12/12/41

Yes.
13/12

Secy
A(R)
13/12

S.C.
13/12

A(R) (vide page 9 ante)

PA

3056
2503

During my recent visit to Belgaum, the President of the Municipality again complained to me that the rates charged by the Company were heavy and had not been reduced in recent years; that the company has been giving evasive replies, and that it will not, unless forced to do so, reduce the charges.

As, however, the question of these rates is to be taken up by the Advisory Board shortly, no further action is necessary

The Belgaum Electric License, 1932:
Orders regarding alteration of the maxima charges fixed by the —.

GOVERNMENT OF BOMBAY.

PUBLIC WORKS DEPARTMENT.

Resolution No. 5894/36.

Bombay Castle, 30th December 1942.

Read Government Resolutions No. 3398/36, dated the 13th September 1939, the 10th October 1939 and the 10th January 1941.

Read letter from the Electrical Engineer to Government No. L. 31/95, dated the 8th April 1942.

RESOLUTION.—The Government of Bombay is pleased to accept the recommendations of the Advisory Board appointed in Government Resolutions No. 3398/36, dated the 13th September and the 10th October 1939 and to order that the maxima charges for the supply of electrical energy fixed by the Belgaum Electric License, 1932, should be altered with effect from the 1st February 1943 in accordance with the Board's recommendations, as set out in the Government Order appended hereto. The Order should be published in the *Bombay Government Gazette*.

By order of the Governor of Bombay,

R. H. HAMMETT,
Deputy Secretary to Government.

[*P. T. O.*

L P. W. D. T 205

To

*The Finance Department.
*The General Department.
*The Commissioner, Southern Division.
*The Collector of Belgaum.
*The Superintending Engineer, Southern Circle.
*The Electrical Engineer to Government.
*The Executive Engineer, Belgaum Division.
*The Accountant General, Bombay.
†D:B. K. M. Jhaveri.
†Mr. V. N. Vartak, I.S.E. (retired).
†Sir Alexander Gray, Kt.
†The Examiner, Outside Audit, Bombay.
†Mr. R. G. Higham.
†The Amalgamated Electricity Company (Belgaum) Limited (Belgaum Branch).

*With a copy of Government Order.
†By letter.

No. of 1942.

Copy forwarded for information and guidance to

PUBLIC WORKS DEPARTMENT.

Bombay Castle, 30th December 1942.

Order.

INDIAN ELECTRICITY ACT, 1910.

No. 5894/36.—Whereas by Government Notification in the Public Works Department No. 3398/36, dated the 13th September 1939, as amended by Government Notification in the Public Works Department No. 3398/36, dated the 10th October 1939, the Government of Bombay was pleased to constitute under section 35 of the Indian Electricity Act, 1910 (IX of 1910) (hereinafter referred to as " the said Act "), an Advisory Board (hereinafter referred to as " the Board ") for the area covered by the Belgaum Electric License, 1932 (hereinafter referred to as " the said licensee ");

And whereas in pursuance of the first proviso to clause XI of the Schedule to the said Act, the Government of Bombay referred to the Board the matter regarding alterations, if any, to be made in the maxima charges for the supply of energy fixed by the said license;

And whereas the Board has recommended certain alterations in these charges;

Now, therefore, in pursuance of the provisions of the first proviso to clause XI of the Schedule to the said Act, and in accordance with the recommendations of the Board, the Government of Bombay is pleased to order that with effect from the 1st February 1943, the maxima charges for the supply of energy fixed by the said license, and specified in clause 10 thereof, shall be altered as follows, namely:—

(1) The rates specified in paragraph (*a*) of sub-clause (1) of the said clause 10 for general supply purposes shall be altered as follows:—

(i) Where energy is supplied for lights and fans the rate shall be altered to annas five per unit,

(ii) Where energy is supplied for domestic heating, cooking, refrigeration and appliances including radios and battery charging, the rate shall be altered to annas two per unit:

Provided that where there is no special circuit for the supply of energy for such purposes, the rate shall be that prescribed in respect of energy supplied for lights and fans.

(2) The rate specified in paragraph (*b*) of sub-clause (1) of the said clause 10 for motive power purposes and purposes other than those referred to in paragraph (*a*) of sub-clause (1) of the said clause 10 shall be altered as follows:—

For energy supplied for such purposes:—

(i) up to and including 4 B.H.P., the rate shall be altered to one anna per unit in addition to a standing charge of Rs. 2 per month per B.H.P. connected; and

(ii) over 4 B.H.P., the rate shall be altered to 0·75 annas per unit in addition to a standing charge of Rs. 2 per month per B.H.P. connected.

(3) The proviso to sub-clause (1) of the said clause 10 regarding rebate in the case of Government buildings shall be omitted.

(4) The rates of rupee one per month for a poly-phase meter and annas eight per month for a single phase meter specified in sub-clause (3) of the said clause 10 shall be altered to annas eight and annas four per month, respectively.

(5) The rates specified in sub-clause (4) of the said clause 10 for energy supplied without a meter shall be altered to Rs. 1-2-0 per month for every 20 watt light or part thereof burning for not more than six hours per night.

By order of the Governor of Bombay,

C. E. AITKEN,
Secretary to Government.

(h.2) Resubmitted with refce to the proceedings at pb 24-5 ante & with the necessary draft for establ.

SBn
15/2/43

No. 3056/36-M P.W.D. Sc. Bch. 1943

To The Amalgamated Electricity Company (Belgaum) Ltd.
17-B. Elphinstone Circle
Bombay

Subject:- Belgaum El. License. Charges for supply of energy.

Dear Sirs,

I am with refce to your letter No AMAL/BEL/C.2/42 dy the 23-11-42 directed to state that in view of Govt. Order No. 253 5894/36 dy the 30-12-42 published at pp 7-8 of pt I-J of the B.G. dy the 7-1-43 making alterations in the maxima charges for the

-3056/36

Supply of electrical energy fixed by the Belgaum Electric License, 1932, Govt does not propose to pursue any further the question of revising the Schedule of rates in force before Govt orders referred to above came into force.

DBN
16/2/43

Yours truly,

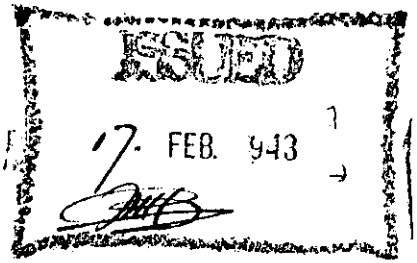
Copy forwarded to the Comm. S.D. and the Collr. of Belgaum with reference to Govt Small- No 3056/36-M, dt/6.12-11-40

the Chief Engr & Secy.

3056/36

(with respect his name see
L.R.M. 12/39630/42 dtd 23-12-42).

DRIS
16/2/43



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REPORT OF THE COMMITTEE APPOINTED TO ENQUIRE INTO THE CHARGES FOR ELECTRICAL ENERGY LEVIED BY THE

AMALGAMATED ELECTRICITY CO.(BELGAUM) LTD. (BELGAUM BRANCH)

AND TO ADVISE GOVERNMENT AS TO THE MAXIMA CHARGES THAT THE COMPANY MAY BE PERMITTED TO LEVY FOR DOMESTIC AS WELL AS INDUSTRIAL PURPOSES.

Introductory.

1. Office Organisation : The Amalgamated Electricity Co. (Belgaum) Ltd., was incorporated in 1936, and acquired three private limited Companies, working the Belgaum, Bulsar and Bhiwandi Electric Licenses. In order to satisfy the requirements of the Indian Electricity Act separate accounts are being maintained for each of these branches and submitted to Government.

The Registered Office of the Amalgamated Company of which the Belgaum Branch is a part, is in Bombay. There is a branch office at Belgaum where consumers' ledgers etc. are kept. The Belgaum office is in charge of an Electrical Engineer who is assisted by a chargeman on the technical side with accounts and clerical staff. The financial and statutory books of the Company are maintained in Bombay. The supply of all important stores are arranged by the Bombay office. Periodical returns are made by the Belgaum office giving the allocation of stores consumed and cash expended, from which the financial accounts are written up in Bombay.

The Company has unlimited powers to borrow but the powers of the Directors are limited to an amount equal to the Issued Capital for the time being,of the Company. The names of the Directors, their qualification and remuneration are as given below :-

Directors : Maximum 9 : Minimum 3.

Sir Homi Mehta Kt., J.P. (Chairman)
The Hon'ble Sir Phiroze Sethna Kt.,O.B.E.
A.D. Baria Esq., J.P.,
Rai Bahadur Seth Bhagchand Soni,M.L.A.,
Tarachand Navalchand Esqr.,
B.R. Doshi Esqr.,
R.C. Jhaveri Esqr., (Ex-officio)
N.C. Jhaveri Esqr., (Ex-officio)

Qualification : Holding of shares of the nominal value of Rs.5,000.

Remuneration : Not more than Rs. 50/- a meeting.

2. Basis of Enquiry : The enquiry has been carried out with special reference to the accounts of the year ended 31st March 1937. We have carefully considered the material submitted to us by the Special Auditor appointed by Government to investigate into the financial position of the electrical undertakings in this province. On the basis of the facts contained in his report, we framed a questionnaire and obtained from the Company a reply in writing. We thereafter interviewed representatives of the Company and examined them on all points which appeared to us to have a direct or indirect bearing on

the question of the rates charged for electrical energy supplied.

Before proceeding to a review of the progress and development of the Company from the inception, we think it desirable to state in brief the history of the Company before the Amalgamated Electricity Company took over the license as also to outline the terms and conditions of the Agency agreement, as these have a direct effect on the financial position of the Company.

This license was obtained in the first instance by Messrs. Y.S. Ankle and A.S. Ankle in 1932, who sold it to the Belgaum Electricity Co.(a private Ltd. Co.) The Company allotted to the Promotors, 640 shares of Rs. 100/- each as " Promotors' consideration" and simultaneously borrowed Rs. 2,10,000 at a rate of 7-1/2 % per annum to meet its capital outgoings. In 1934-35 the Company issued only 5 shares for cash, while the loan then amounted to Rs.3,10,000 In 1935-36, the Company issued part of its 7-1/2 % Cumulative Preference shares and obtained in cash Rs. 50,000. The loan at the end of the period standing at Rs. 3,55,167. The relative position of the share and loan capital at the end of each accounting year is shown in the following table :-

Year.	Share capital. Promotors' shares.	Shares issued for cash.	Loan capital. Secured loan.	Rate.	Unsecured loan.	Rate	Total.	Interest paid.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1932-33	-	-	-	-	-	-	-	-
1933-34	64,000		2,12,000	7½	-	-	2,12,000	13,306
1934-35	64,000	500	3,10,000	7½	-	-	3,10,000	22,620
1935-36	64,000	50,500	2,00,817	5½	1,54,350	7½	3,55,167	23,598
Quarter ending 30-6-36.	64,000	50,500	2,00,817	5½	1,54,350	7½	3,55,167	5,972

The Company was thus, all the while being financed by borrowed money bearing a high rate of interest. In June 1936, the assets of the undertaking were acquired by purchase by the Amalgamated Company. The purchase price paid amounted to Rs.6,92,931 and included Rs. 2,69,082 paid as a consideration for the sale of the undertaking as a going concern.

We felt that the consideration paid for going value or good-will was disproportionately high compared to the capacity of the business and the value of the assets taken over. When examined on this question, the Company's representatives replied as follows :-

" The consideration has been already paid and the transaction completed. We may point out here, that so many other licensees in this Presidency have taken in the past huge amounts for transferring merely the license before any work thereunder was even started. The Vendor in the present case developed the conce

raised it to its present earning status and secured many beneficial contracts for the Company in consideration for which the amount referred to has been paid ".

We are left unconvinced by the above reply. The persons who promoted the Amalgamated Company and who carried out the negotiations for the purchase, were also the principal shareholders in the three Vendor Companies. Moreover, the assets were taken at their net book value,(origina value less accumulated depreciation) but as adequate depreciation had not been provided, this book value was somewhat inflated We, therefore, feel that the value paid for the goodwill is much in excess of its real worth.

3. Managing Agents: Under an agreement dated 17-6-1936 between the Company and the Consolidated Electric Agencies Ltd., the latter were appointed as Managing Agents of the Company for a period of 30 years and thereafter until they resign. Subject to the general supervision of the Directors of the Company, the conduct of the business of the Company vests in the Agents. The remuneration of the Agents consists of -

(1) a personal allowance of Rs. 1,500/- a month exclusive of all expenses incurred by the Agents on behalf of the Company.

(2) A commission of 12-1/2 % of the net profit calculated after making allowances and deductions from revenue for the usual working charges, outgoings, repairs chargeable against profits,

interest on loans and debentures, but without making any deduction for depreciation, reserve sinking fund or incometax. No commission becomes payable unless the Company declares a dividend of not less than 5 per cent on the paid up capital.

The Agents are also empowered to nominate two Directors as Ex-officio Directors of the Company.

It is obvious from the above, that the Agency Agreement is all in favour of the Agents. We have, in a subsequent para, dealt with the question of remuneration payable to the Agents for the purpose of arriving at a rate base.

CHAPTER I

Progress and Development of the Company

Financial Structure.

4. Share Capital : We have already mentioned that the Belgaum Electric License, is only a branch of the Amalgamated Electricity Co. (Belgaum) Ltd. It has therefore no separate share capital of its own but in the statement submitted to Government out of the total issued capital of the Company of Rs. 12,50,000, the issued capital applicable to this Branch has been shown at Rs. 7,39,583.

CAPITAL STRUCTURE.

5. Capital Expenditure : The details of the total capital expenditure at the end of the year 1936-37 are given below :-

	Rs.
Preliminary expenses.	4,967
Land.	1,000
Building.	47,227
Plant including Misc. plant and Machinery.	98,254
Mains.	2,01,755
Service Connections.	38,590
Transformers.	6,799
Meters.	21,660
General Stores.	24,310
Furniture.	4,624
Cycles, Motor cars etc.	4,719
Govt. buildings wiring.	7,798
Belgaum Electric License.	7,643
Consideration for purchases of going concern.	2,69,082
Brokerage.	18,649
	7,57,077

The above items have been shown at the value at which they were taken over from the Belgaum Electricity Co.,Ltd., plus additions made during the year. The assets of the Shahpur Electric License which stood included in the assets of the Belgaum Company have been segregated in the accounts submitted to Government. The plant capacity installed is 366 K.W. at a total capital cost of Rs. 7,57,077 which works out to Rs. 2,068 per K.W. of plant installed. The average plant cost per K.W. is in the neighbourhood of Rs.1,000 It will thus be seen that the plant at Belgaum is double the usual cost per K.W. owing to the inflated capital cost. It was noticed that the allocation of expenditure between the capital and revenue was made at the discretion of the Management. No time sheets or other documentary evidence were available in support of the allocations. It may be mentioned in this connection that the Company's own auditors certified the accounts subject to the remark that they accepted the allocation of expenditure between capital and revenue as given by the Management.

The representatives of the Company who were examined on this point explained that the Company had to maintain a large number of permanent staff to carry out extensions etc., as technical labour was not available locally and therefore the amount capitalised was high. The payment of the commission to the Agents is dependent on the declaration of a dividend of

at least 5 %, and capitalisation of revenue expenditure therefore tends to give the Agents an advantage. After considering all these facts and the early history of the concern, we are definitely of opinion that the capital cost of the assets as appearing in the books of the Company is inflated; this may be ascribed partly to over capitalisation of salaries and wages and partly to non-provision of adequate depreciation in the past as explained below:-

6. Depreciation Fund : The depreciation provided by the Belgaum Electricity Co. until the sale of the undertaking to the Amalgamated Company amounted to Rs.32,915 which was set off against the value of the assets taken over by the Amalgamated Company. The Company's Auditors were not satisfied with the adequacy of the depreciation provided, and accordingly certified the accounts for the years 1933-34,1934-35 and 1935-36, with this qualification. In arriving at the value of the assets however, no attention was paid to the remarks of the Company's own Auditors. There is justification, therefore, to hold that the value of the assets appearing in the books does not represent their intrinsic value.

The depreciation provided for the assets of the Amalgamated Company as a whole amounted to Rs. 20,000; out of which the share of the Belgaum Branch was Rs.10,996, for a period of nine months.

The amount of depreciation calculated according to the various methods are given

below :-

	Rs.
At Indian Statutory rates.	25,608
At rates in White paper proposals.	not supplied.
12 % of Gross Revenue.	14,460
At half the Statutory rates.	12,804
Actual provision.	13,996

An amount equal to 12 % of the gross revenue appears to be a fair charge on account of depreciation. We have accordingly allowed this sum in our report.

7. Percentage of turnover on capital : The percentage of turnover on capital works out to 15.9 % and is very low compared with the normal 20 %. This also bears out our opinion that the capital cost is inflated.

8. Cash Position : The total cash balance and sundry debtors stood at Rs. 77,064 against current liabilities of Rs. 55,220, and the cash position can, therefore, be considered good.

9. Valuation of Properties for the purpose of estimate of fair return : The capital outlay todate as shown in para 5 is Rs. 7,57,077. This includes intangible assets such as Preliminary expenses, Brokerage, License, & the consideration for sale as a going concern. These intangible assets have been excluded in calculating the fair value of the property as they do not represent any physical assets and should, in our opinion, be written off over a period of years. We have accord-

accordingly allowed, as an expense, a sum sufficient to write off these assets over 50 years, which is the usual term, after which the first option to take over the concern accrues to the Municipality, or Government.

As has been mentioned in a previous para, the total depreciation provided by the original Belgaum Electric Co. Ltd., in the 5 years of its existence amounted to Rs. 32,915. The depreciation provided was not considered adequate by the Company's own auditors. The accrued depreciation taken into account in the calculation of "Fair Value" is thus only the depreciation provided by the Amalgamated Company, for the nine months ending 31-3-1937.

In view of these considerations and also due to there being present in our minds a doubt as to the correctness of the allocations of expenditure between capital and revenue, we think that the best course would have been to have the assets valued by an independent valuer. As, however, we are not in a position to do so, we feel that we have no alternative but to accept the valuations of the Company and base our recommendations accordingly.

The net value of the capital block on which the "fair return" is to be based is arrived at as below :-

	Rs.	
Total capital expenditure.	7,57,077	
Less Intangible assets	3,00,341	
Accrued depreciation.	10,996	
		3,11,337
		4,45,740

CHAPTER II

Working Costs, Management Expenses, Revenue and Appropriations.

10. The revenue position as presented by the Directors is as shown below :-

		Rs.
The gross revenue from all sources amounted to		1,20,511
Deducting the working expenses		77,506
Leaves a net profit		43,005
which with the sum brought forward from last year		1,828
Brings the amount available for distribution to		44,833
From this the following appropriations were made :-		
Loss on sale of motor car	783	
Special expenses incurred.	101	
Deferred Revenue expenditure written off.	501	
		1,385
Balance available for distribution.		43,448

This balance includes a sum of Rs. 11,288 being profits relating to the first quarter ending 30-6-1936 belonging to the Belgaum Electricity Co. Ltd., which was then working the license. The balance of Rs. 32,160 represents profits made by the Belgaum Branch of the Amalgamated Company. This profit is however subject to Agents' commission (share - Rs. 6,449) and incometax.

A dividend of 5 % on the ordinary shares and 5-1/2 % on the preference shares were declared and paid.

The total working expenses together with the cost per unit of each item are tabulated below :-

Year.	1934-35			1935-36			1936-37		
Units sold.	339,234			444,308			518,072		
Items.	Amount.	Cost per unit sold.	%age to gross rev.	Amount	Cost per unit sold.	%age to gross Rev.	Amount	Cost per unit sold	% age to gross revenue
	Rs.	As.		Rs.	As.		Rs.	As.	
Fuel and Stores	15,008	.708	17	19,187	.691	17	19,837	.613	16
Salaries & Wages (Excl. management).	5,964	.281	7	6,148	.221	6	6,041	.186	5
Repairs and maintenance.	3,178	.150	3	3,910	.141	3	6,041	.186	5
Rent, rates & Taxes.	839	.040	1	957	.035	1	1,066	.035	1
Management.									
Directors' remunera-tion.	3,000	.142	3	4,500	.162	4	667	.020	1
Agents' office allowance.	-			-			7,508	.232	6
General Establish-ment and other expenditure.	11,062	.522	12	9,880	.356	9	15,717	.485	13
Temporary allowance to power consumers.	-			569	.021	1	1,796	.055	2
Working expenses.	39,051	1.843	43	45,151	1.627	41	58,673	1.812	49
Interest (net)	20,703	.977	23	22,676	.817	22	4,837	.149	4
Depreciation.	15,000	.708	17	10,000	.360	9	13,996	.432	11
Working expenses.	74,754	3.528	83	77,827	2.804	72	77,506	2.393	64
Gross Revenue.	90,345			1,08,905			1,20,511		
Revenue from Electricity.	76,245			92,969			1,06,193		
Percentage of total cost to Revenue from Electricity.			98%			84 %			73 %

The cost of management and other overhead charges appear to us to be excessive, especially when we consider that Agents' commission to the extent of Rs. 6,400 has not been included in the statement drawn up being contingent on the declaration of a 5 % dividend, which

was subsequently paid. We feel that there is room for economy in this sphere especially in general establishment charges. In this connection we endeavoured to obtain from the Company's representatives arguments in justification of the high charge on account of the Agents' remuneration; but beyond the assertion that the Agents are in fact entitled to a higher remuneration, they had no other argument to convince us of the reasonableness of the charge.

In view of the fact that the Agents are allowed to charge to the Company all the expenses incurred by them, It would appear that a consolidated commission at 7-1/2% of the net profits after charging depreciation subject to a minimum of Rs. 300/- a month would be reasonable so far as this particular license is concerned. The commission so calculated amounts to Rs. 4,116. The present Agents, who were also the principal shareholders in the Vendor Co., obtained a substantial sum as Goodwill and therefore we feel that this amount is very reasonable and not inconsistent with the interests of the consumers.

12. Receipts : The receipts of the 3 years ended 31-3-1937 are compared below:

Year.	Receipts from electricity.	Other receipts	Total.
1934-35	76,245	14,100	90,345
1935-36	92,969	15,936	1,08,905
1936-37	1,06,193	14,318	1,20,511

The figures indicate a steady rise in demand.

13. A comparative table is given below showing cost and price realised per unit of output.

Year	No.of units sold.	Sale of energy	Aver. per unit sold.	Meter rent etc.	Aver. per unit sold.	Cost.	Aver. per unit sold.	Total connec-tions in K.W.	Load Factor.
		Rs.	As.	Rs.	As.	Rs.	As.		
1934-35	339,234	76,245	3.59	14,100	0.67	74,754	3.53	637	21.8
1935-36	444,308	92,969	3.35	15,936	0.57	77,827	2.80	993	13.27
1936-37	518,072	1,06,193	3.28	14,318	0.44	77,506	2.39	1,170	18.5

The total number of units sold to the different classes of consumers are given below :-

Year.	Public lamps.	Special contracts	Lighting	Power	Total.
1934-35	25,950	70,295	103,026	139,963	339,234
1935-36	43,083	80,880	127,799	192,546	444,308
1936-37	46,131	120,704	147,227	204,010	518,072

14. Load Factor : The load factor of the year shows an improvement over that of the previous year. Even so, it is low, as it is only 18.5 %

Appropriations :

15. Reserve Funds : No reserve fund has as yet been created. In our opinion, a reserve for unforeseen contingencies should be built up by annual contributions from revenue of an amount equal to 1/4 % of the net block. We have allowed a similar sum in assessing the surplus.

16. Deferred Revenue Expenditure : The amount shown under this head of the balance sheet amounts to Rs. 1,020 (which is the proportionate share of this Branch). No details are available for this payment. In the original Belgaum Company also it was usual to keep large sums under this head. The Company's representatives explained that this amount was paid for obtaining certain beneficial contracts and that the benefit will extend over 10 years. We are of opinion that if such payments become inevitable, they should be charged in the very year in which they are incurred.

17. Dividends. The dividends declared by the Belgaum Electricity Co. Ltd., are as follows :-

1933-34	5 %	free of tax.
1934-35	7-1/2 %	"
1935-36	7-1/2 %	on preference shares
	5 %	free of tax on the ordinary shares.

The Amalgamated Electricity Co.(Belgaum) Ltd., which took over this undertaking in 1936, declared a dividend of 5 % on the ordinary shares and 5-1/2% on the preference shares.

It should be noticed that the Company declared dividends from 5 % to 7-1/2 % without making proper allowances for depreciation. The Company's representatives stated at the interview that the Company was not legally bound to set apart full depreciation before declaring a dividend. Whatever may be the legal position in the matter we consider that it was financially

unsound to declare a dividend without making adequate provision for depreciation

18. Fair return on the net value of the assets : In para 9. we have accepted under protest the fair value of the assets for the purpose of determining a fair return to the investors, at Rs. 4,45,740. In our opinion, the minimum rate of return to the investors should be 6 % on the net capital expenditure. This return should, it is considered, be sufficient to meet dividend on the ordinary and preference shares, interest on loans etc., incometax, and the balance of commission payable to the Agents over and above that which has been allowed in this report. The amount so calculated works out to Rs. 26,774, which we consider reasonable having regard to the early history of the concern especially the fact that the value of the assets taken over was inflated owing to the lack of adequate provision for depreciation in the past. We believe, that the shareholders will be able to get the Agency agreement suitably modified but if they do not find it possible to do so, they will have to be content with a smaller rate of dividend. We appreciate the difficulties in the way of the shareholders to effect such a modification in the Agency agreement but unfortunately we are unable to suggest any other alternative, consistent with the interests of the consumers.

19. Our estimated surplus : Taking all

the facts into consideration the surplus of this branch is estimated below :-

		Rs.
Gross Revenue.		1,20,511
Less working expenses (excluding depreciation interest and Agents(remuneration).	51,165	
Depreciation.	14,460	
Agents' remuneration.	4,116	
Contingency reserve at 1/4 % of net block	1,114	
W/o of intangible assets.	6,000	
2% on depreciation reserve.	280	
6% return on net block.	26,744	
	---------	1,03,879
Estimated surplus.		16,632

This estimate does not take into account increases in the profit in future years due to expansion and development in the area of supply and economy in expenditure suggested by us.

CHAPTER III

20. The Company's present Rates & Charges:

The Company's present rates are -

(1) For lights and fans - Annas 6 per unit plus meter rent.

(2) For religious places, Schools, Hospitals Clubs and Gymkhanas - Annas 5 per unit, plus meter rent.

(3) Street lighting - Annas 4 per unit. No meter rent.

(4) Power -0.75 anna per unit plus a standing charge of Rs. 2/- per B.H.P. to 2 annas per unit.

(5) Cinemas - Anna 1 per unit plus a standard charge of Rs. 40/- per month.

21. Reductions suggested and the Company's reply :

(1) Lights and Fans - We suggested a maximum rate of 5 annas per unit. The Company, however, is not in favour of such reduction as proposed by us. The Agents explain that with effect from 1936-37 the Company has reduced the rate for domestic consumers from 6 annas per unit to 5-1/2 annas per unit, and to hospitals and religious institutions to 4-1/2 annas per unit, provided they consume more than 12 units per month. We consider that the reduction recommended by us is justified and that the Company should have no objection to agree to the same. The Company has estimated that on the basis of the accounts for 1936-37, the shortfall in revenue, if our suggestion is accepted, would be Rs. 7,439/-.

(2) Minimum Charge : We have carefully considered the question of minimum charge and are of opinion that so far as the lighting and fan consumers are concerned, there should be no such charge. The shortfall on this account in the estimation of the Company would be about Rs. 500/- per annum.

(2) Power : We suggested the following tariff for power -

A standing charge of Rs. 1-8-0 per B.H.P. per mensem,

plus

A unit charge of 0.75 anna per unit for all units consumed during the month.

The Company has estimated that, on the basis of our suggestion, the shortfall in revenue would be Rs. 2,963/-.

(4) Meter Rent - We recommend that the meter rent should be reduced to 4 annas per month for a single phase meter and 8 annas per month for a polyphase meter. The shortfall in revenue from this source is estimated at Rs. 4,000 per annum.

22. Justification for Reductions proposed We have estimated the surplus of the Company at Rs. 16,632/-. against which on the basis of the reductions proposed in the previous para., the total fall in revenue on all accounts will be Rs. 14,902/-. We are, therefore, of opinion that our recommendations are justified and should be accepted by the Company.

23. CONCLUSION : The rates sanctioned

in the license, the rates as charged by the Company on 1st April 1938, and our suggested maxima rates are shown in a tabular statement below :-

Rates sanctioned in the license. (amended in 1936)	Rates in force as on 1st April 1938.	Our suggested maxima rates.
(1) Where energy is supplied by meter :-		
(a) For general supply purposes :-		
(i) For lights and fans not provided for in item (ii) below ... A rate of annas six per unit.	Annas five and pies six per unit.	Annas five per unit.
(ii) For lights and fans in religious and educational institutions, hospitals and clubs. --- A rate of Annas five per unit.	Annas four and pies six per unit.	
(iii) For heaters, refrigerators, battery charging and medical appliances -- A rate of Annas three per unit.		
(b) For motive power purposes & purposes other than those mentioned in items (a) (i),(ii) and (iii) above :-		A standing charge of Rs. 1-8-0 per B.H.P. per mensem,
Up to and including 3 K.W:- A standing charge of Rupees three per month per K.W. installed or a fraction thereof plus annas two per unit.	Standing charge of Rs. 2/- per B.H.P. plus unit charge ranging from 2 annas per unit to 0.75 anna per unit.	Plus
Over 3 K.W:- A standing charge of Rupees three per month per K.W. installed or a fraction thereof plus annas one and pies six per unit.		A unit charge of 0:75 anna per unit for all units consumed during the month.
(2) A minimum charge of Rs. 3/- per month shall be charged exclusive of meter rent and irrespective of whether energy to that value has been consumed or not on installations under sub clause 1 (a) ~~and (b)~~ above.	Rs. 3/- per month.	There should be no minimum charge.
(3) Meter Rent :The rent to be levied for meters shall not exceed annas 8 per month for a single phase meter and Re. 1 per month for a polyphase meter.	As. 8 for single phase meter Re. 1 for polyphase meter.	As. 4 for single phase meter. As. 8 for polyphase meter.

P.C. Das Gupta — MEMBER.

M.B. Advani — MEMBER.

MEMBER & SECRETARY.

Kumaresan Dr. Rao — CHAIRMAN.